



ANNUAL REPORT

2018 - 2019



Spirit of Visioneering

CIN-L45201TN1994PLC029561

Registered Office: Sri Sai Subhodaya Apartments, No. 57/2B, East Coast Road
Thiruvanmiyur, Chennai - 600041

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the Members of MARG LIMITED will be held on Friday, 29th November, 2019 at **Hotel Rainbow, No. 10, C.V. Raman Road, Alwarpet, Chennai - 600 018** at 3.00 PM., to transact the following business

ORDINARY BUSINESS:

Item No. 1: Adoption of Audited Financial Statements:

To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and pass the following resolution(s) as an **Ordinary Resolution(s)**:

- (a) **"RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."
- (b) **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

By Order of the Board of Directors,

Date: 30.10.2018

Place: Chennai

Nawal Kishore

Company Secretary

Registered office:

Sri Sai Subhodaya Apartments,
No.57/2B, East Coast Road,
Thiruvanmiyur, Chennai - 600 041
CIN: L45201TN1994PLC029561
Website: www.marggroup.com;
E-mail: investor@marggroup.com
Tel: +91 78258888140

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE TWENTY FOURTH ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, DULY COMPLETED, STAMPED AND SIGNED SHOULD, BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. A PERSON CAN ACT AS A PROXY FOR ONLY 50 MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. A BLANK PROXY FORM IS ENCLOSED.
3. Corporate Members intending to send their authorized representative(s) to attend the Meeting pursuant to section 113 of Companies Act 2013 are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
4. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors, who were appointed in the Annual General Meeting held on 14th March 2017.
5. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

7. Members/Proxies are requested to kindly take note of the following:
- (i) Copies of Annual Report will not be distributed at the venue of the meeting.
 - (ii) Attendance Slip, as sent herewith, is required to be produced at the venue duly filed-in and signed, for attending the Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed for 7 days from 23rd November, 2019 to 29th November, 2019 (both days inclusive).
9. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under, will be available for inspection by the members at the AGM.
10. The Company's Registrar & Transfer Agents for its share registry (both, physical as well as electronic) is Cameo Corporate Services Limited ("Cameo") having its office at "Subramanian Building", 1, Club House Road, Chennai – 600 002. (UNIT: MARG Limited).
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar & Transfer Agent of the Company.
12. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018, amended Regulation 40 of Listing Regulations pursuant to which from April 01, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.
13. **Transfer of Unclaimed Dividend Amounts to the Investor Education and Protection Fund (IEPF):**
- Pursuant to sections 124, 125 & other applicable provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules"), (including any statutory modification(s) and or re-enactment(s) thereof for the time being in force), dividends, unpaid or unclaimed for a period of 7 (seven) years from the date of declaration by the Company, are required to be transferred by the Company to the IEPF authority established by the Central Government.
- During the financial year 2018 - 19, the Company has transferred to the IEPF Authority, the Unclaimed Dividend for the FY 2010-11 - INR 5,90,386/-. The unclaimed dividend amounts which have been transferred to the IEPF authority account during the year can be claimed by the members concerned from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.
14. Electronic copy of the Notice of the 24th AGM of the Company, inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form and the Annual Report of the Company for the financial year 2018-19 is being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 24th AGM of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form and the Annual Report of the Company for the financial year 2018-19 is being sent through permitted mode of dispatch.
15. **Members, who have not registered their e-mail address so far, are requested to register their e-mail address with the Company (RTA)/ Depository Participant(s) for receiving all communications including Annual Reports, Notices, etc. from the Company electronically.**
16. Members may also note that the Notice of the 24th AGM and the Annual Report for the financial year 2018-19 will also be available on the Company's website www.marggroup.com for downloading.
17. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are as under:
- i. In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members, facility to exercise their right to vote at the 24th AGM by electronic means and the business mentioned in the Notice may be transacted through remote e-voting. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM (remote e-voting) will be provided by provided by Central Depository Services (India) Limited (CDSL).
 - ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.



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- iii. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. The voting rights of Members shall be in proportion to the equity shares held by them in the paid up Equity Share Capital of the Company as on Friday, 22nd November, 2019 ('cut-off date').
- v. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- vi. The remote e-voting facility commences on Tuesday, 26th November, 2019 (9.00 a.m.) (IST) and ends on Thursday, 28th November, 2019 (5.00 p.m.) (IST). During this period, members may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter by CDSL and voting through electronic means shall not be allowed beyond the said date and time.
- vii. Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- viii. Any person, who becomes a member of the Company after the dispatch of Notice of AGM and holding shares as on the cut-off date, may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or by contacting Cameo at investor@cameoindia.com to cast their vote. The detailed procedure for obtaining user ID and password is also provided in this Notice
- ix. In case of any queries or issues regarding e-voting, members are requested to refer the Frequently Asked Questions (FAQs) and e - v o t i n g m a n u a l a v a i l a b l e a t www.evotingindia.com under help section or w r i t e a n e - m a i l t o helpdesk.evotingindia@cdslindia.com. In case of any grievances connected with the facility of voting through electronic means, please contact Central Depository Services (India) Limited (CDSL), 17th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400001, Tel: 022-22728588
- x. Mrs. Neha Agrawal, Practising Company Secretary (Membership No. 7707 CoP No. 8065), has been appointed as the Scrutinizer to scrutinize the remote e-voting as well as physical voting process in a fair and transparent manner.
- xi. The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the remote e-Voting period

unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make Scrutinizers' Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Result on resolutions shall be declared on or after the AGM of the Company. The Result declared along with the Scrutinizers' Report shall be placed on the Company's website www.marggroup.com and on the website of CDSL within 2 (two) days of passing of the resolutions at the AGM and communicated to the stock exchanges.

- xii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM i.e. Friday, 29th November, 2019.

PROCEDURE AND INSTRUCTIONS FOR REMOTE E-VOTING

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company
 - Enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department</p> <p>Members who have not updated their pan with the company/ depository participant are requested to use the first two letters of their name followed by last 8 digits of Folio no / client id in the pan field.</p> <p>In case the Folio no is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Folio number 838 then enter RA00000138 in the pan field.</p>
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DOB	Enter the Date of Birth as recorded in your demat account / folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account / folio. Please enter DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the dividend Bank details field as mentioned in Instruction (v)

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the MARG Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and image verification code click on Forgot Password & enter the details as prompted by the system.

(xvii) Note for Institutional Shareholders & Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

18. The Annual Report of the Company for the financial year 2018-19 circulated to the Members of the Company will also be made available on the Company's website www.marggroup.com
19. Members may please note that no gifts shall be distributed at the venue of the meeting.
20. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

**By the Order of the Board
For MARG Limited**

**Nawal Kishore
Company Secretary**

Place : Chennai

Date : 30th October 2019



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E mail:- investor@marggroup.com Web:- www.marggroup.com

ATTENDANCE SLIP

Annual General Meeting: 29th November, 2019

DPID/CLIENTID :

Name of share holder :

Address :

Jt1 :

Jt2 :

No. of Shares :

I certify that I am a Member / Proxy for the Member holding shares.

I Certify that I have / have not cast my E-vote.

I hereby record my presence at the **ANNUAL GENERAL MEETING** of the Company at **Hotel Rainbow No. 10, C.V. Raman Road, Alwarpet, Chennai - 600018** on **Friday 29th November, 2019**.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL. KINDLY ALSO NOTE THAT NO GIFTS, CONVEYANCE ETC. WILL BE GIVEN AT THE MEETING.

E-VOTING PARTICULARS:

EVEN (Electronic Voting Event No.)	USER ID (16 Digits Demat Account /Folio No.)	PASSWORD/PIN

Note:

Please read instructions given at Note no. 17 of the Notice of the Annual General Meeting carefully before voting electronically.



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E mail:- investor@marggroup.com Web:- www.marggroup.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): _____
Registered address : _____
E-mail Id : _____
Folio No./ Client Id/DPID : _____

I/ We, being the member(s) of shares of the above named Company, here by appoint

- 1. Name :
Address :
E-mail Id : Signature or failing him/her
- 2. Name :
Address :
E-mail Id : Signature or failing him/her
- 3. Name :
Address :
E-mail Id : Signature or failing him/her

As my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the Company, to be held on the **Friday 29th November, 2019 at 3.00 pm** at **Hotel Rainbow No. 10, C.V. Raman Road, Alwarpet, Chennai - 600018** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS
1.	Adoption of Audited financial Statements

Signed this day of **November** 2019

Signature of the Shareholder:

Signature of the Proxy holder(s).....

Affix
Revenue Stamp
of not less than
(Rs. 1/-)

NOTE: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

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CORPORATE INFORMATION



Chairman & Managing Director

MR. G R K REDDY

DIRECTORS

Mr. Sreedhar Challa

Mr. R Dinesh

Mrs. V Revathi

COMPANY SECRETARY

Mr. Nawal Kishore

AUDITORS

M/s. A R Krishnan & Associates.

Chartered Accountants,

SF-2, Lokesh Towers, No. 37 (old No. 18),

Kodambakkam High Road,

Nungambakkam, Chennai – 600 034.

REGISTERED OFFICE & CORPORATE OFFICE

Sri Sai Subhodaya Apartments

No.57/2B, East Coast Road

Thiruvanmiyur, Chennai – 600 041

WEBSITE

www.marggroup.com

STOCK EXCHANGES

Where The Company's Shares are Listed:

I) BOMBAY STOCK EXCHANGE LIMITED

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai 400 001

Registrar & Share Transfer Agent

M/s. Cameo Corporate Services Limited

Subramanian Building,

No. 1 Club House Road,

Chennai – 600 002



DIRECTORS' REPORT

To,
The Members of
MARG Limited

Your Directors are presenting the 24th Annual Report together with the Financial Statements for the financial year ended 31st March 2019.

1. FINANCIAL RESULTS

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Income from operations	18.83	41.38
Non-operating Income	3.72	3.90
Total income	22.55	45.27
Profit/(loss) before Depreciation, Finance Cost and Tax Expense (EBDIT)	(9.34)	(8.78)
Depreciation	8.24	9.56
Interest & Finance charges	0.04	(4.40)
Profit/(Loss) before tax	(17.62)	(13.94)
Tax Expense		
Current Tax	NIL	NIL
Deferred Tax	NIL	(0.79)
Profit/(Loss) after Tax	(17.62)	(13.15)
Balance in Profit & Loss Account	(187.10)	(174.25)
Amount available for appropriation	(204.67)	(187.10)
Dividend	Nil	Nil
Dividend tax	Nil	Nil
Amount transferred to General Reserve	Nil	Nil
Balance in Profit and Loss Account	(204.67)	(187.10)

During the Financial Year 2018-19, total revenue of the Company stands at Rs. 22.55 Crores as against Rs. 45.27 Crores in the previous year. The EBDIT is (Rs. 9.34 Crores), compared to previous year of (Rs. 8.78 Crores). The Company incurred net loss of Rs. 17.62 Crores during the financial year ended March 31, 2019 as compared to net loss of Rs. 13.15 Crores in the previous year. This is primarily due to slow down of operation, lack of fund availability for projects, depressed markets, increase in cost of raw materials and labour.

2. DIVIDEND

Due to loss incurred by the Company, your Directors have not recommended any dividend for the financial year ended March 31, 2019.

3. BUSINESS HIGHLIGHTS 2018-19

MARG Revenue Stands at Rs. 22.55 Crores in the Financial Year 2018-19.

4. DIRECTORS

The composition of the Board of Directors is in compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013.

Mr. Sreedhar Challa (DIN: 06468225) and Mr. R Dinesh (DIN 00845119) are continuing as an Independent Director of the company.

5. MEETINGS

During the year under review, the Board of Directors met 8 (Eight) times on May 3, 2018, May 30, 2018, July 18, 2018, August 14, 2018, August 30, 2018, November 14, 2018, January 11, 2019 and February 14, 2019.

In accordance with Clause VII of the Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on February 14, 2019.

6. ANNUAL EVALUATION BY THE BOARD

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under section 134(3) (p) of the Companies Act, 2013.

7. AUDIT RELATED MATTERS

A. AUDITORS

The members of the Company at the 21st Annual General Meeting had appointed M/s. A R Krishnan & Associates., Chartered Accountants (Firm Registration No.009805S), Chennai, as the Statutory Auditors of the Company, to hold office from the conclusion of 21st Annual General Meeting of the Company until the conclusion of the 26th Annual General Meeting.

The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2019 issued by the Ministry of corporate Affairs, Government of India. Accordingly, no resolution is proposed for ratification of appointment of Statutory Auditors, who were appointed in the Annual General Meeting held on March 14, 2017 for a period of 5 years.

The Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company.

B. SECRETARIAL AUDIT REPORT

The Board had appointed Mrs. Neha Agrawal, Company Secretary in Whole-time Practice (Membership No. ACS 20312) as Secretarial Auditor for the financial year ended 31st March, 2018 to carry out the Secretarial Audit under the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The report of the Secretarial Auditor is enclosed to this report as "Annexure A".

C. COST AUDIT

The requirement to maintain cost accounting records and appointment of Cost Auditor in accordance with the provisions of Companies (Cost Records and audit) Rules, 2014 is not applicable for the financial year 2018-19.

8. SUBSIDIARY COMPANIES

STATUS

Your Company has total of 58 subsidiaries* as on 31st March 2019, out of which 6 Non wholly-owned subsidiaries and 52 Wholly-owned subsidiaries, including 25 Step-down Subsidiaries. There has been no material change in the nature of the business of the Company and its subsidiaries. Details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management Discussion and Analysis Report.

In accordance with Section 129(3) of the Act, Consolidated Financial Statements of the Company and all its subsidiaries forms part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC - 1 is enclosed herewith as Annexure D to the Boards report. The statement also provides the details of performance and financial position of each of the subsidiaries.

Subsidiary Companies' Monitoring Framework

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- ★ Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- ★ Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.
- ★ A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

Financial Position and Performance of Subsidiaries and Associates

In terms of Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of subsidiaries are given as an Annexure to the Consolidated Financial Statements.

9. POLICY AND OTHER MATTERS

A. Corporate Social Responsibility

The Company has constituted Corporate Social Responsibility Committee under the section 135 of the Companies Act 2013, which is making exclusive progress in the field of Corporate Social Responsibility and Societal interventions. The Committee is predominantly involved in the areas of Women empowerment, education, health and hygiene, community based programs including art, music, sports and other socio economic and cultural activities.

This Committee has been entrusted with the responsibility of formulating and recommending to the Board a CSR policy, from time to time, broadly indicating the activities to be undertaken by the company apart from the activities (already under processing) that are mandatory in the implementation of the frame work of CSR policy and recommend the money to be spent on each of the activities as prescribed under Act and the Rules made there under.

B. Code of Conduct

As prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a declaration signed by the Chairman and Managing Director affirming compliance with the Code of Conduct by the Directors and senior management personnel

of the Company for the financial year 2018-19 forms part of the Corporate Governance Report.

C. Declarations by Independent Directors

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

D. Extract of Annual Return

In terms of Section 134 of the Companies Act, 2013 read with Rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2018-19 is provided in "Annexure B" to this report.

E. Particulars of Loans, Guarantees and Investments

Particulars of Loans, Guarantees and Investments in terms of Section 134 of the Companies Act, 2013, the particulars of loans, guarantees and investments given by the Company under Section 186 of the Companies Act, 2013 is detailed in Notes to Accounts of the Standalone Financial Statements.

F. Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and all such contracts/arrangements/ transactions have been approved by the Audit Committee.

10. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

11. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of the Companies Act, 2013, dividends/fractions entitlements lying unclaimed for a period of 7 years from the date of their transfer to unpaid/unclaimed account have to be transferred to the Investor Education and Protection Fund (IEPF) constituted and administrated by the Central Government. No claim would be lie against the IEPF or the Company after transfer. The details of unclaimed dividend are posted on the website of the Company.

The Company has transferred the Unclaimed Dividend for the FY 2010-11, amount of Rs. 5,90,386/- to the IEPF Authority, Members can claim the unpaid dividend from the Company before transfer to the Investor Education and Protection Fund. Members who have so far not encashed the dividend warrant(s) are requested

to make their claim to the Secretarial Department at the Registered and Corporate Office of the Company or send an email to investor@marggroup.com.

12. CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The Corporate Governance Report approved by the Board of Directors of the Company, forms part of this report and a certificate issued by Mrs. Neha Agrawal, Practicing Company Secretary is set out in the Annexure to this Report.

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, forms part of this annual report is provided in a separate section as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS:

Your Company has taken adequate measures to conserve energy and the Company believes that productivity from all its workforces can be achieved with interface of latest technology.

Your Company is not an industrial undertaking in terms of Section 134(3)(m) of the Companies Act, 2013 read along with Companies Rule 8(3) of the Companies (Accounts) Rules, 2014 and hence, particulars regarding conservation of energy, technology absorption and adaptation are not applicable and hence the same are not provided.

There are no foreign exchange earnings and outgo during the financial year 2018-2019.

15. PARTICULARS OF EMPLOYEES U/S 197:

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of Employees as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as "Annexure C" and form part of this Report.

However, in accordance with the provisions contained in the proviso to Section 136(1) of the Companies Act, 2013, the Annual Report and accounts excluding the aforesaid information are being sent to the shareholders of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company for the same.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2019, Your Directors hereby confirmed that;

- i. In the preparation of the Annual Accounts for the financial year ended 31st March 2019, the applicable accounting standards has been followed and there were no material departures;
- ii. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss account of the Company for the year.
- iii. The directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The directors had prepared annual accounts for the financial year ended 31st March 2019 on a "going concern basis".
- v. The directors had devised proper systems, internal financial controls to be followed by your Company and that such internal financial controls are adequate and have been operating effectively.
- vi. The systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.

17. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER BY THE STATUTORY AUDITORS & SECRETARIAL AUDITORS:

The Directors submit their explanation to the observations made by the Auditors in their report for the FY 18-19. The relevant Para nos. of the report and reply are as under:

REFER PARAGRAPH (BASIS OF QUALIFIED OPINION) OF THE AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS:

- (i) In respect to Note No. 28 to the audited financial statements of the year ended 31st March, 2019 regarding the providing interest for loans assigned to Asset Reconstruction Company (ARCs), the management is of the opinion that since the company has already entered into proposal with ARC for converting debt to equity providing for the interest shall not be viable.
- (ii) In respect to Note No. 31-33 to the audited financial statements of the year ended 31st March, 2019 regarding the charging the interest on loans that are given to Subsidiaries, the management hereby clarifies that Outstanding in Borrowings from Banks, Financials Institutions and ARC had become NPA due to this no interest is charged. In respect of loan receivable from Subsidiaries, no interest is provided as subsidiaries unable to service loans and interest to its outstanding loans from bankers as it has become NPA, we continue not to provide Interest and burden the subsidiary companies.

- (iii) In respect to Note No. 34© to the audited financial statements of the year ended 31st March, 2019 regarding the EPC work in progress, the Company hereby clarify that the work is going on, which is not yet completed. Now Company is evaluating the work status and it will be billed shortly.
- (iv) In respect to Note No. 35 to the audited financial statements of the year ended 31st March, 2019 regarding the investment in Karaikal Port Private Limited (KPPL), the management is workings towards reinstatement of Invoked shares in favour of MARG limited, whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. We have not given necessary effect to the investment value as post reinstatement Marg Limited will again hold Equity shares to the extent of 40.56% in KPPL.
- (v) In respect to Note No. 36 the regarding un-reconciled amount relating to the equipment loan availed by the company. The reconciliation of the loan account is under process. Pending such reconciliation the management considers it appropriate to classify the same under "other advances" in the Balance Sheet. Note 36 of the consolidated financial statements is self explanatory.
- (vi) In respect to balance confirmation Bank/ARCs as on 31st March, 2019, the management hereby clarifies that the regarding balances confirmation from Banks/ARCs. The Balance Confirmation of the loan account from Balance/ARCs is under process and it will be completed shortly.
- (vii) In respect to Note No. 55 the regarding investment in "Future Parking Private Limited"(FPPL). The management hereby clarifies that "Future Parking Private Limited" is a joint venture entity, MARG Limited continued to hold 51% shareholding in FPPL. Hence the same is treated as subsidiary and considered in consolidation.
- (viii) In respect of valuation of this investment in Karaikal Port Private Limited with a carrying value at cost of Rs.249.79 Crores, the management hereby clarifies that until restructuring agreement implemented by KPPL, there is no sanctity of valuation of shares as of now and same will be done on post implementation of Master Restructuring Agreement by KPPL.
- (ix) In respect of non-current investment in subsidiaries / step down subsidiaries aggregating to Rs. 317.13 Crore as at 31 March 2019, the management hereby clarifies that since the asset is not the continuity asset and as per the 12 A proposal Submitted by the company to NCLAT as settlement plan, all the assets of the group companies which has been collateralised to lenders which has to be liquidated as per the time frame given in the proposal which requires valuation process to be executed before liquidating the asset. Due to this reasons, It is not valued for the time being.

REFER EMPHASIS OF MATTER OF THE AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS:

- a) In respect to Note No. 16 and 28(b), the regarding the settlement plan with Edelweiss Asset Reconstruction Company Ltd

(EARC), the management hereby clarifies that in line with 12 A proposal submitted, EARC has taken up the same for the committee approval post which Master Restructuring Agreement will be signed subject to the company satisfying the conditions precedent given in their initial in principal approval. The company, however, complied with a conditions to inprincipal approval and issued Equity shares of the extent of 24.99% to EARC converting part unsustainable portion of debt. However other precedent conditions are to be satisfied.

- b) In respect of preparing financial statements on 'Going Concern' basis reference is drawn to Note No. 30 which is self explanatory;
- c) In respect to Note No. 31 to the audited financial statements of the year ended 31st March, 2019 regarding the investment in New Chennai Township Private Limited the management hereby clarifies that the consolidated financials of Marg Group includes unaudited financials of New Chennai township Pvt Ltd (NCTPL) for FY 1819 as they are under IRP. Like, Marg Limited, we are working towards moving NCTPL out of NCLT/NCLAT proceeding at the earliest.
- d) In respect to Note No. 33(b) to the audited financial statements of the year ended 31st March, 2019 regarding the Arohi Infrastructure Private Limited (Arohi), the management hereby clarifies that even though TATA capital has lodged claim with Marg IRP in the capacity as guarantor, Marg IRP rejected the claim as they have already lodged their claim in Arohi which was accepted by Arohi IRP which is now under liquidation process. In spite of that Marg limited has proposed settlement plan under 12A scheme which is repayable over a period of one year based on the liquidation value of the collaterals offered to Tata capital. We expect that Arohi to be out of liquidation process.
- e) In respect of deductions made/amount withheld by some customers reference is drawn to Note No. 34 (a& b) which is self explanatory and the management is in the process of renegotiating/ necessary legal forum to recover the best possible way extent over couple of years.;

REFER ANNEXURE-A TO THE AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS:

Point 1(a) of Annexure A to Standalone Auditors' report: (i) The Fixed Asset Register will be duly updated and it will be completed shortly.

Point 7(a) & 7(b) of Annexure A to Standalone Auditors' report: The delay in the payment of Provident fund, Employee's State Insurance, Income Tax, Wealth Tax, Custom Duty, Cess, Sales Tax, Service Tax and other material statutory dues were due to lower cash inflows from the existing projects and the company is arranging to make the payments shortly. Due to slow down in the Infrastructure and Real estate sector and the resultant impact on the performance of your Company there were defaults in repayments of principle and interest dues to the Banks and Financial Institutions. However, the management opines that with improved business scenario, your Company will be able to meet its obligation.

REFER PARAGRAPH (QUALIFIED OPINION) OF ANNEXURE B TO THE AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS:

The delay in updating the register of fixed assets and recording of expenses transactions met out of staff imprest advances are not intentional and the company has taken necessary steps to update it as soon as possible.

REFER BASIS OF QUALIFIED OPINION OF THE AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS:

- (i) In respect to Note No. 30 to the audited financial statements of the year ended 31st March, 2019 regarding the providing interest for loans assigned to Asset Reconstruction Company (ARCs), the management is of the opinion that it is not viable to follow the pattern of providing the interest towards loans which are NPA status and later respective Banks assigned it to ARCs.
- (ii) In respect to Note No. 36 to the audited financial statements of the year ended 31st March, 2019 regarding the EPC work in progress, the Company hereby clarify that the work is going on, which is not yet completed. Now Company is evaluating the work status and it will be billed shortly. Further regarding the management fees, the company was receiving earlier the said fees, now due to some dispute, but the Company is confident to receive the amount.
- (iii) In respect to Note No. 37 to the audited financial statements of the year ended 31st March, 2019 regarding the investment in Karaikal Port Private Limited (KPPL), the Management is workings towards reinstatement of Invoked shares in favour of MARG limited, whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. We have not given necessary effect to the investment value as post reinstatement Marg Limited will again hold Equity shares to the extent of 40.56% in KPPL.
- (iv) In respect to Note No. 38 the regarding un-reconciled amount relating to the equipment loan availed by the company. The reconciliation of the loan account is under process. Pending such reconciliation the management considers it appropriate to classify the same under "other advances" in the Balance Sheet. Note 38 of the consolidated financial statements is self explanatory.
- (v) In respect to the matter regarding investment in "Future Parking Private Limited"(FPPL). The management hereby clarifies that "Future Parking Private Limited" is a joint venture entity, MARG Limited continued to hold 51% shareholding in FPPL. Hence the same is treated as subsidiary and considered in consolidation.
- (vi) In respect to balance confirmation Bank / ARCs as on 31st March, 2019, the management hereby clarifies that the regarding balances confirmation from Banks/ARCs. The Balance Confirmation of the loan account from Balance/ARCs is under process and it will be completed shortly.
- (vii) In respect of valuation of this investment in Karaikal Port Private Limited with a carrying value at cost of Rs.249.79 Crores, the management hereby clarifies that until restructuring agreement implemented by KPPL, there is no sanctity of valuation of shares as of now and same will be done on post implementation of Master Restructuring Agreement by KPPL.
- (viii) In respect of M/s. Mukta Infrastructure Private Limited, the respective company is of opinion that price of land shall appreciate in future and hence no provision for impairment loss is made.
- (ix) In respect of M/s. Arohi Infrastructure Private Limited, the debenture holder has not exercised the Put option during the FY 2014-15, hence the respective company has not provided any premium on redemption during the FY 2018-19.
- (x) In respect of M/s. Riverside Infrastructure (India) Private Limited, the management is taking efforts for resuming the Mall Project and is in discussion with strategic partners for this purpose. Further, considering the latest valuation of the property of the Company, the management considers it appropriate to capitalize the interest of Rs.66.93 Crores (PY Rs. 59.12 Crores) and overheads of Rs. 0.14 Crores (PY Rs. 0.44 Crores) during the year ended 31st March, 2019. Note No.39 of the Consolidated Financial Statements is self explanatory.
- (xi) In respect to the matter of Non Audit of certain Subsidiary Companies and associate Company, the management hereby clarifies that those subsidiary Companies and associate companies have been duly audited by the Statutory Auditors but the Company is yet to receive the audited balance sheets along with auditor's report from the Auditor.
- (xii) In respect to balance confirmation Bank/ ARCs as on 31st March, 2019 for four subsidiaries, the management hereby clarifies that the regarding balances confirmation from Banks/ARCs. The Balance Confirmation of the loan account from Balance/ARCs is under process and it will be completed shortly.

REFER EMPHASIS OF MATTER OF THE AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS:

- a) In respect of preparing financial statements on 'Going Concern' basis reference is drawn to Note No. 32 which is self explanatory;
- b) In respect of Property of the Subsidiary Companies provided security for various loans, reference is drawn to Note No. 33 which is self explanatory;
- c) In respect of the Investments in and Advances receivable due from some of its Subsidiaries Companies, reference is drawn to Note No. 34 which is self explanatory;
- d) In respect to Note No. 30 (b) and 2, the regarding the settlement plan with Edelweiss Asset Reconstruction Company Ltd (EARC), the management hereby clarifies that in line with 12 A

proposal submitted, EARC has taken up the same for the committee approval post which Master Restructuring Agreement will be signed subject to the company satisfying the conditions precedent given in their initial in principal approval. The company, however, complied with a conditions to inprincipal approval and issued Equity shares of the extent of 24.99% to EARC converting part unsustainable portion of debt. However other precedent conditions are to be satisfied.

- e) In respect to Note No. 33(5) (a) to the audited financial statements of the year ended 31st March, 2019 regarding the Arohi Infrastructure Private Limited (Arohi), the management hereby clarifies that even though TATA capital has lodged claim with Marg IRP in the capacity as guarantor, Marg IRP rejected the claim as they have already lodged their claim in Arohi which was accepted by Arohi IRP which is now under liquidation process. In spite of that Marg limited has proposed settlement plan under 12A scheme which is repayable over a period of one year based on the liquidation value of the collaterals offered to Tata capital. We expect that Arohi to be out of liquidation process.
- f) In respect to Note No. 32 (II) to the audited financial statements of the year ended 31st March, 2019 regarding the investment in New Chennai Township Private Limited, the management hereby clarifies that the consolidated financials of Marg Group includes unaudited financials of New Chennai township Pvt ltd (NCTPL) for FY 1819 as they are under IRP. Like, Marg Limited, we are working towards moving NCTPL out of NCLT/NCLAT proceeding at the earliest.
- g) In respect to Note No. 32 (V) to the audited financial statements of the year ended 31st March, 2019 regarding the investment in Marg Trading Pte Ltd, the management is working on to remove the deregistration of Marg trading in ACRA. This does affect the recoverability of Investment Value and advances.
- h) In respect of deductions made/amount withheld by some customers reference is drawn to Note No. 41 which is self explanatory;
- I) In respect of Companies which were converted and obtained license under Section 8 of the Companies Act, 2013 during the previous years, reference is drawn to Note No. 42 which self explanatory.

18. FIXED DEPOSITS

During the year under review, your Company has not invited or accepted fixed deposits from the public.

19. EMPLOYEE RELATIONS

The Directors place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company at all levels to meet the company's objectives. The employee relations at all projects and other locations continue to be

cordial.

20. BUILDING A STRONG CUSTOMER CONNECT

Customer intimacy is one of your Company's strategic priorities to reach its ambition of being the leading reference in Infrastructure and Real Estate.

21. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

22. REPORTING OF FRAUD

There have been no instances of fraud reported by the Auditors under section 143 (12) of the Companies Act, 2013 and rules made thereunder either to the Company or the Central Government.

ACKNOWLEDGEMENT

The Board expresses its deepest appreciation and gratitude for the guidance and cooperation extended to the Company by our customers, vendors, investors, Bankers, employees, Statutory Authorities and Regulators. We place on record our special appreciation of the contribution made by our employees at all the levels and look forward to their continued support in the future.

For and on behalf of the Board of Directors

G R K Reddy

Chairman & Managing Director

Place: Chennai

Date: 30th October, 2019

Annexure A**SECRETARIAL AUDIT REPORT**

To
The Members
Marg Limited
Sri Sai Subhodhaya Apartment,
No.57/2B, East Coast Road,
Thiruvanmiyur, Chennai,
Tamil Nadu 600041

Dear Members

Sub: My reports of even dates is to be read along with this letter

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial record based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The Verification was done to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations.
5. The Compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of management, My opinion was limited to the verification of procedures on the test basis.
6. The Secretarial Audit report in nether an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Raigarh
Date:30/10/2019

Signature.....
Name: Neha Agrawal
CPNo. 8065
FCSNo.7077

FORM NO. MR-3**SECRETARIAL AUDIT REPORT****For the financial year ended March 31, 2019***[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To
The Members
Marg Limited
Sri Sai Subhodhaya Apartment,
No.57/2B, East Coast Road,
Thiruvanmiyur, Chennai,
Tamil Nadu 600041

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s Marg Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s Marg Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1.I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Marg Limited for the financial year ended on March 31, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Other Labour and local laws applicable to the Company as per the representations made by the Management, Viz.
 - a. The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.
 - b. The Tamil Nadu Shops And Establishments Act, 1947.

I have also examined compliance with the applicable Clause of the following;

- i) Secretarial Standard issued by The Institute of Company Secretaries of India (ICSI).
- ii) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mention above.

2.I Further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the rules made under as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of Various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, Returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board Meetings and Committee meeting of Directors;
- f) The Meeting of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The Annual General Meeting will be held as per the extended time allowed by Registrar of Companies, Chennai.
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors/ Committee(s) of Directors, appointment, retirement of Directors including the Managing Director and Whole-time Directors;
- k) The Company has not appointed any Manager in the Company in respect thereto;
- l) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- m) Investment of Company's fund including investments and loans to others;
- n) Forms of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- o) Director's report;
- p) Contracts, common seal, registered office and publication of name of the Company; and
- q) Generally, all other applicable provisions of the Act and the Rules made under the Act.
- r) The Company will file MGT-7 and AOC-4 for the year ending

31st March 2019 after holding the AGM as allowed by ROC Chennai.;

- s) Appointment of Company Secretary- Mr. Nawal Kishore Chandgotia is the Company Secretary of the Company.

3. I further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women director. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Majority decision is carried through while the dissenting member's view are captured and recorded as part of the minutes.
- d. The Company has obtained all necessary approvals under the various provisions of the Act; and
- e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SCRA, Depositories Act, Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.
- f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialized/ rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

5. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

6. I further report that during the year under Audit:

- a. The Board of Directors have met 8 times during the year.
- b. The Extra Ordinary General Meeting was held on 06th July 2018 for increase in Share Capital from Rs. 50,00,00,000 to Rs. 55,00,00,000.
- c. There has been allotment of 1,26,99,533 Equity Shares during the year and the company has filed necessary return of allotment with ROC, Chennai within time.

- d. The Audit Committee has met 4 times
- e. The Annual General Meeting to consider and adopt the Accounts for the year 31.03.2019 besides other items will be held on time as per extension allowed Registrar of Companies, Chennai. The Company has complied with all the requirements of the ACT and rules in regard to the AGM.
- f. The Company has duly complied with the provisions of Section 118 read with rules thereto with regards to the maintenance of Minutes of Board Meeting, Annual General Meeting etc.
- g. Company has transferred to IEPF Authority the Unclaimed dividend for the FY 2010-11 of Rs. 5,90,386/-.

Place: Raigarh

Date: 30/10/2019

Signature:

Name: Neha Agrawal

CP No. 8065

FCS No. 7077

UDIN-F007707A000187007

Annexure B

Form No. MGT-9

Extract of Annual Return as on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rules 12(1) of the Companies (Management and Administration) Rules, 2014]

I Registration and other Details	
CIN	L45201TN1994PLC029561
Registration Date	December 16, 1994
Name of the Company	MARG Limited (Formerly MARG Constructions Limited)
Category of the Company	Company limited by shares
Sub-Category of the Company	Indian Non-Government Company
Address of the Registered office and contact details	'Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041
Tel:	+91-7825888140
Email:	investor@marggroup.com
Whether listed company	Yes. Listed on Bombay Stock Exchange Limited
Name, Address and Contact Details of Registrar and Transfer Agent, if any	M/s. Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai - 600 002 Tel: 044 28460390 to 0395 Fax: 044 28460129 Email: investor@cameoindia.com

II. Principal Business Activities Of The Company	
All the business activities contributing 10% or more of the total turnover of the company	As per Attachment A
III. Particulars of Holding, Subsidiary And Associate Companies	As per Attachment B
IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)	
i) Category-wise Share Holding	As per Attachment C
ii) Shareholding of Promoters	As per Attachment D
iii) Change in Promoters' Shareholding	As per Attachment E
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
v) Shareholding of Directors and Key Managerial Personnel	As per Attachment G
V. Indebtedness	As per Attachment H
Indebtedness of the Company including interest outstanding/ accrued but not due for payment	
VI. Remuneration of Directors and Key Managerial Personnel	As per Attachment I
A. Remuneration to Managing Director, Whole-time Directors and / or Manager	
B. Remuneration to other directors	As per Attachment J
C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
VII. Penalties / Punishment/ Compounding of Offences	As per Attachment L

ATTACHMENT A

II All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under:

Name and Description of Main Products/Services	NIC Code of Product/Service	% of Total Turnover of the Company
Construction and Real Estate Development	4100	83.50%

ATTACHMENT B
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate	%of Shares Held	Applicable under Companies Act 2013
1	Amir Constructions Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45202TN2007PTC063580	Subsidiary	100	2(87)(ii)
2	Anumanthai Beachside Resorts Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U55103TN2007PTC065604	Subsidiary	100	2(87)(ii)
3	Anuttam Academic Institutions*	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U80301TN2007NPL063165	Subsidiary	100	2(87)(ii)
4	Arohi Infrastructure Private Limited	Sri Sai Subhodaya Apartments No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45201TN2006PTC060531	Subsidiary	90.01	2(87)(ii)
5	Atul Institutions of Learning*	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U80301TN2007NPL063581	Subsidiary	100	2(87)(ii)
6	Avatar Constructions Private Limited	Sri Sai Subhodaya Apartments No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45209TN2007PTC062748	Subsidiary	100	2(87)(ii)
7	Bharani Infrastructure Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45208TN2007PTC063167	Subsidiary	100	2(87)(ii)
8	Darpan Educational Institutions*	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U80301TN2007NPL063920	Subsidiary	100	2(87)(ii)
9	Dasha Infradevelopers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45208TN2007PTC062456	Subsidiary	100	2(87)(ii)
10	Future Parking Private Limited	Third floor, G-Block, Ali Towers, No. 55, Greams Road, Thousand Lights, Chennai-600006	U45206TN2009PTC072304	Subsidiary	51	2(87)(ii)
11	Hilary Constructions Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45202TN2007PTC063600	Subsidiary	100	2(87)(ii)
12	Karaikal Power Company Private Limited	81/A, Maideen Palli Street, Karaikal- 609602	U31109PY2008PTC002174	Subsidiary	100	2(87)(ii)
13	Kirtidhara Academic Institutions*	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U80301TN2007NPL063758	Subsidiary	100	2(87)(ii)
14	MARG Aviations Private Limited	No.43, 1st Floor, Kodihalli Extn., H. A L. IIStage, Bangalore-560008.	U45203KA2009PTC050654	Subsidiary	100	2(87)(ii)
15	MARG Industrial Clusters Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45208TN2010PLC075177	Subsidiary	100	2(87)(ii)

16	MARG Infrastructure Developers Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45207TN2010PLC075138	Subsidiary	100	2(87)(ii)
17	MARG International Dredging PTE Ltd#	10, Jalan Besar, Unit # 10-12, SimLim Tower, Singapore-208787	N A	Subsidiary	100	2(87)(ii)
18	MARG Trading PTE Ltd#	10, Jalan Besar, Unit # 10-12, SimLim Tower, Singapore-208787	N A	Subsidiary	100	2(87)(ii)
19	MARG Logistics Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U60220TN2008PTC067167	Subsidiary	100	2(87)(ii)
20	MARG Marine Infrastructure Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45205TN2010PLC075139	Subsidiary	100	2(87)(ii)
21	MARG Properties Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45400TN2009PLC073986	Subsidiary	100	2(87)(ii)
22	MARG Sri Krishnadevaraya AirPort Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45400TN2010PTC076888	Subsidiary	26	2(87)(ii)
23	MARG Swarnabhoomi Port Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45203TN2008PTC067413	Subsidiary	90	2(87)(ii)
24	Mukta Academic Institutions Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U80301TN2007PTC063532	Subsidiary	100	2(87)(ii)
25	Navrang Infrastructure Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45208TN2007PTC064213	Subsidiary	100	2(87)(ii)
26	New Chennai Township Private Limited	Seekanakuppam Village, Cheyyur, Kancheepuram-603 305	U45202TN2006PTC059295	Subsidiary	100	2(87)(ii)
27	Parivar Apartments Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45400TN2007PTC064175	Subsidiary	100	2(87)(ii)
28	Riverside Infrastructure (India) Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45203TN2006PTC058909	Subsidiary	73.93	2(87)(ii)
29	Shubham Vihar Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U70101TN2007PTC064190	Subsidiary	100	2(87)(ii)
30	Signa Infrastructure India Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45209TN2006PLC060804	Subsidiary	74	2(87)(ii)
31	Swatantra Infrastructure Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45204TN2007PTC063032	Subsidiary	100	2(87)(ii)
32	Wisdom Constructions Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 60001	U45203TN2007PTC062476	Subsidiary	100	2(87)(ii)
33	Yuva Constructions Private Limited	Panneru Kalva Road, Tiruchanur ByePass Road, Thuukivakam Post, ReniguntaMandal, Tirupati-517 520	U45200AP2007PTC054206	Subsidiary	100	2(87)(ii)

* Section 8 Subsidiary Companies

Foreign Subsidiaries

Step Down Subsidiaries as on 31.03.2019

*Section 8 Subsidiary Companies

Foreign Subsidiaries

Sl. No	Name of the Company	Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable under Companies Act 2013
1	Advance Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002326	Subsidiary	100	2(87)(ii)
2	Agni Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002327	Subsidiary	100	2(87)(ii)
3	Akhil Infrastructure Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45202TN2007PTC063578	Subsidiary	100	2(87)(ii)
4	Ambar Nivas Private Limited	Old No 12 New No 8, Mangan St Villinayur Main Road oulgrat Commune, Reddiyarpalayam, Pondicherry - 605010	U70102PY2008PTC002202	Subsidiary	100	2(87)(ii)
5	Aprati Constructions Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45201TN2006PTC060530	Subsidiary	100	2(87)(ii)
6	Archana Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002325	Subsidiary	100	2(87)(ii)
7	Aroopa Infradevelopers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45201TN2006PTC060532	Subsidiary	100	2(87)(ii)
8	Ashram Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002329	Subsidiary	100	2(87)(ii)
9	Comex Infrastructure Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002332	Subsidiary	100	2(87)(ii)
10	Darshan Homes Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45400TN2009PTC073545	Subsidiary	100	2(87)(ii)
11	Guiding Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002294	Subsidiary	100	2(87)(ii)
12	Kanchanajunga Infradevelopers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45200TN2007PTC063717	Subsidiary	100	2(87)(ii)
13	Magnumopus Infrastructure Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45203TN2007PTC062101	Subsidiary	100	2(87)(ii)
14	MARG Business Park Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U45201TN2004PTC054426	Subsidiary	100	2(87)(ii)
15	MARG Hotels and Service Apartments Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanniyur, Chennai - 600041	U55101TN2011PTC080559	Subsidiary	100	2(87)(ii)

16	Navita Estates Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U70101TN2007PTC063887	Subsidiary	100	2(87)(ii)
17	O M R Developers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45201TN2006PTC059308	Subsidiary	100	2(87)(ii)
18	Rainbow Habitat Private Limited	Panneru Kalva Road, Tiruchanur Bye Pass Road, Thuukivakam Post, Renigunta Mandal, Tirupati, Andhra Pradesh - 517520	U45400AP2007PTC055216	Subsidiary	100	2(87)(ii)
19	Saptajit Projects Private Limited	414, Bharathi Street, Puducherry 605001	U70102PY2008PTC002206	Subsidiary	100	2(87)(ii)
20	Sarang Infradevelopers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45208TN2007PTC062086	Subsidiary	100	2(87)(ii)
21	Shikha Infrastructure Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002334	Subsidiary	100	2(87)(ii)
22	Sulekh Constructions Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45200TN2009PTC072222	Subsidiary	100	2(87)(ii)
23	Talin Infradevelopers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45200TN2009PTC072224	Subsidiary	100	2(87)(ii)
24	Uttarak Infradevelopers Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45200TN2009PTC072221	Subsidiary	100	2(87)(ii)
25	Vyan Infraprojects Private Limited	Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041	U45200TN2009PTC072225	Subsidiary	100	2(87)(ii)
Associate as on 31.03.2019						
1	Rajakamangalam Thurai Fishing Harbour Private Limited	26/40, St. Arockia Annai Building, Rajakamangalam Thurai, (Via) Eathamozhy, Rajakamangalam Thurai- 629501	U45203TN2008PTC067480	Associate	39	2(6)

ATTACHMENT C
IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as a % of Total Equity)
i. Category-wise Holding

Category of Shareholders	No. of shares held at the beginning of the year (01-04-2018)				No. of shares held at the end of the year (31-03-2019)				% Change during the year
	Demat	Physical	Total No of Shares	% of Total Shares	Demat	Physical	Total No of Shares	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/ HUF	27,03,057	-	27,03,057	7.09	27,03,057	-	27,03,057	5.32	-1.77*
b) Central Government									
c) State Government(s)									
d) Bodies Corporate	36,85,634	-	36,85,634	9.67	36,85,634	-	36,85,634	7.25	-2.42*
e) Financial Institutions/Banks									
f) Any Others(Specify)									
Sub Total(A)(1)	63,88,691	-	63,88,691	16.76	63,88,691	-	63,88,691	12.57	-4.19*
(2) Foreign									
a) Individuals (Non-Residents Individuals)									
b) Foreign Individuals)									
c) Bodies Corporate									
d) Institutions									
e) Qualified Foreign Investor									
f) Any Others(Specify)									
Sub Total(A)(2)									
Total Shareholding of Promoter	63,88,691	-	63,88,691	16.76	63,88,691	-	63,88,691	12.57	-4.19*
B. Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI									
b) Financial Institutions / Banks	11,09,732	-	11,09,732	2.91	11,09,732	-	11,09,732	2.18	-
c) Central Government									
d) State Government(s)									

e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors									
i) Qualified Foreign Investor									
j) Any Other	-			-	-	-	-		
Sub total (B) (1)	11,09,732	-	11,09,732	2.91	11,09,732	11,09,732	2.18	-	-
2. Non-institutions									
Bodies Corporate	55,98,827	55,98,827	14.69	1,76,46,971	-	1,76,46,971	34.72	20.03	
Individuals									
I. Individual shareholders holding nominal share capital up to 1 lakhs	74,52,972	2,85,120	77,38,092	20.30	70,06,862	277020	72,83,882	14.33	-5.97
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh. Qualified Foreign Investor Any Other (specify)	1,47,24,095	-	1,47,24,095	38.63	1,56,63,909	-	1,56,63,909	30.82	-7.81
Clearing Members	4,836	-	4,836	0.01	35,157	-	35,157	0.06	0.05
Foreign Nationals	1,000		1,000	-	1,000		1,000	-	-
Hindu Undivided Families	16,25,493		16,25,493	4.26	17,38,180		17,38,180	3.42	-0.84
Non Resident Indians	7,04,160	-	7,04,160	1.84	7,22,937	-	7,22,937	1.42	-0.42
Trusts	2,24,000	224000	0.59		2,24,000	2,24,000	0.44	-	0.15
Sub-Total (B)(2)	3,01,11,383	5,09,120	3,06,20,503	80.33	4,28,15,016	5,01,020	4,33,16,036	85.23	4.90
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	3,12,21,115	5,09,120	3,17,30,235	83.25	4,39,24,748	5,01,020	4,44,25,768	87.42	4.17
TOTAL (A)+(B)	3,76,09,806	5,09,120	3,81,18,926	100.00	5,03,17,439	5,01,020	5,08,18,459	100.0	0.00

* Change in Total percentage of promoters shareholding is due to dilution of stake owing to allotment to Edelweiss, total number of shares held by promoters remains the same both at the beginning and at the end of the financial year.

ATTACHMENT D
IV (II) Shareholding of of Promoters

Particulars	No. of shares held at the beginning of the year as on 01.04.2018			No. of shares held at the end of the year as on 31.03.2019			% Change in shareholding during the year
	No of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares by the promoter	No of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares by the promoter	
Shareholders Name							
G R K Reddy	12,03,057	3.16	90.15%	12,03,057	2.37	90.15	-0.79
Madhusudan Reddy Gorrepati	15,00,000	3.94	100.00%	15,00,000	2.95	100.00	-0.99
							-
Global Infoserv Limited	6,18,000	1.62	99.86%	6,18,000	1.22	99.86	-0.40
Marg Capital Markets Limited	6,93,000	1.82	27.71%	6,93,000	1.36	27.71	-0.46
Akshya Infrastructure Private Limited	23,74,634	6.23	100.00%	23,74,634	4.67	100.00	-1.56
TOTAL	63,88,691	16.77	90.29	63,88,691	12.57	90.29	-4.20

ATTACHMENT E
IV (iii). Change in Promoters' Shareholding

Particulars	No. of shares held at the beginning of the year as on 01.04.2018		No. of shares held at the end of the year as on 31.03.2019	
	No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1.G R K Reddy				
a) At the beginning of the year	12,03,057	3.16		
b) Changes during the Year	Nil			
c) At the end of the Year			12,03,057	2.37
2. Akshya Infrastructure Private Limited				
a) At the beginning of the year	23,74,634	6.23		
b) Changes during the Year	Nil			
c) At the end of the Year			23,74,634	4.67
3. Madhusudan Reddy Gorrepati				
a) At the beginning of the year	15,00,000	3.93		
b) Changes during the Year	Nil			
c) At the end of the Year			15,00,000	2.95
4.MARG Capital Markets Limited				
a) At the beginning of the year	693,000	1.82		
b) Changes during the Year	Nil			
c) At the end of the Year			693,000	1.36
5. Global Infoserv Limited				
a) At the beginning of the year	6,18,000	1.62		
b) Changes during the Year	Nil			
c) At the end of the Year			618,000	1.22

ATTACHMENT F
IV (iv). Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs)

Sl. No	For Each Top 10 Shareholders	No. of shares held at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1	Hitesh Ramji Javeri JT1 : HITESH RAMJI JAVERI JT2 : RADHABAI RAMJI JAVERI	DP ID IN300360 CL ID 20087818			
	a)At the beginning of the Year	12,90,000	3.38		
	b) Changes during the Year				
	Date	Reason			
	30.11.2018	Purchase	10000	0.03	
	c) At the end of the Year			1300000	2.55
2	SYNDICATE BANK	DP ID IN300095 CL ID 11273323			
	a) At the beginning of the year	11,09,732	2.91		
	b) Changes during the Year	Nil			
	c) At the end of the year			11,09,732	2.18
3(a)	SAPNA BAGMAR	DP ID 12037600 CL ID 00428559			
	a)At the beginning of the Year	8,76,390	2.30		
	b) Changes during the Year	Nil			
	c) At the end of the Year			8,76,390	1.72
3(b)	SAPNA BAGMAR	DP ID 12031500 CL ID 00160980			
	a)At the beginning of the Year	1,60,349	0.42		
	b) Changes during the Year	Nil			
	c) At the end of the Year			1,60,349	0.31
3(c)	SAPNA BAGMAR	DP ID 120323000 CL ID 2080904			
	a)At the beginning of the Year	2,958	0.01		
	b) Changes during the Year				
	Date	Reason			
	23.11.2018	Purchase	9,323	0.02	
	08.02.2019	Purchase	14,243	0.04	
	c) At the end of the Year			26,524	0.05
4	MILAN VIHAR PRIVATE LIMITED	DP ID 12048800 CL ID 00198787			
	a)At the beginning of the Year	7,90,000	2.07		
	b)Changes during the Year	Nil			
	c) At the end of the year			7,90,000	1.55
5(a)	GLOBE CAPITAL MARKET LTD	DP ID IN300966 CL ID 10000088			
	a) At the beginning of the year	7,33,245	1.92		
	b) Changes during the Year				
	Date	Reason			

	06.04.2018	Purchase	7,849	0.02	0	0.00
	13.04.2018	Purchase	25,000	0.07		
	c) At the end of the year				7,66,094	1.50
5(b)	GLOBE CAPITAL MARKET LTD		DP ID IN300966 CL ID 10060240			
	d) At the beginning of the year		12,656	0.03		
	e) Changes during the Year					
	Date	Reason				
	06.04.2018	Sale	600	12,056	0	0.00
	18.04.2018	Sale	5,376	6,680		
	06.07.2018	Sale	5,000	1,680		
	12.10.2018	Sale	1,680	0		
	f) At the end of the year				0	0.00
6 (a)	KANCHAN BIHANI		DP ID IN300360 CL ID 22052154			
	a)At the beginning of the Year		7,19,986	1.89		
	b)Changes during the Year					
	Date	Reason				
	04.05.2018	Sale	10,143	0.03		
	c) At the end of the year				7,09,843	1.39
6 (b)	KANCHAN BIHANI		DP ID IN303028 CL ID 52387980			
	a)At the beginning of the Year		3,05,147	0.80		
	b)Changes during the Year		Nil			
	c) At the end of the year				3,05,147	0.60
7 (a)	B VIKRAM KUMAR BAGMAR		DP ID IN301696 CL ID 12428152			
	a)At the beginning of the Year		6,93,976	1.82		
	b)Changes during the Year		Nil			
	c) At the end of the year				6,93,976	1.36
7 (b)	VIKRAM BAGMAR HUF		DP ID 12032300 CL ID 02132576			
	a)At the beginning of the Year		37,835	0.10		
	b)Changes during the Year		Nil			
	c) At the end of the year				37,835	0.07
8	HARSHA HITESH JAVERI JT1 : HITESH RAMJI JAVERI JT2 : RADHABAI RAMJI JAVERI		DP ID IN300360 CL ID 20087795			
	a)At the beginning of the Year		5,50,000	1.44		
	b) Changes during the Year		Nil			
	c) At the end of the Year				5,50,000	1.08
9	ANSHUMAN DEVELOPERS PRIVATE LIMITED		DP ID 12048800 CL ID 00198772			
	a)At the beginning of the Year		5,10,000	1.33		
	b)Changes during the Year		Nil			
	c) At the end of the year				5,10,000	1.00
10	UNIVERSAL CINE TRADES PRIVATE LIMITED		DP ID 13025900 CL ID 01429983			

	a)At the beginning of the Year		5,00,000	1.31		
	b)Changes during the Year		Nil			
	c) At the end of the year				5,00,000	0.98
NEW TOP TEN AS ON 31-03-2019						
11	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED		DP ID IN303719 CL ID 11040928			
	a)At the beginning of the Year		0	0.00		
	b) Changes during the Year					
	Date	Reason				
	01.03.2019	Allotment	41,56,950	8.18		
	c) At the end of the Year				41,56,950	8.18
12	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED		DP ID IN303719 CL ID 11036735			
	a)At the beginning of the Year		0	0.00		
	b) Changes during the Year					
	Date	Reason				
	01.03.2019	Allotment	36,03,029	7.09		
	c) At the end of the Year				36,03,029	7.09
13	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED		DP ID IN303719 CL ID CL ID 11047278			
	a)At the beginning of the Year		0	0.00		
	b) Changes during the Year					
	Date	Reason				
	01.03.2019	Allotment	21,54,703	4.24		
	c) At the end of the Year				21,54,703	4.24
14	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED		DP ID IN303719 CL ID 11047286			
	a)At the beginning of the Year		0	0.00		
	b) Changes during the Year					
	Date	Reason				
	01.03.2019	Allotment	12,70,461	2.49		
	c) At the end of the Year				12,70,461	2.49
15	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED		DP ID IN303719 CL ID 11047260			
	a)At the beginning of the Year		0	0.00		
	b) Changes during the Year					
	Date	Reason				
	01.03.2019	Allotment	11,43,415	2.24		
	c) At the end of the Year				11,43,415	2.24

ATTACHMENT G
IV (v). Shareholding of Directors and Key Managerial Personnel

S l . N o	Name of the Directors and KMP	No. of shares held at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1	Mr. G R K Reddy Chairman & Managing Director				
	At the beginning of the Year	12,03,057	3.16		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year			12,03,057	2.37
2	Mr. Sreedhar Challa Non Executive -Independent Director				
	At the beginning of the Year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year	-	-	-	-
3	Mr. R Dinesh Non Executive -Independent Director				
	At the beginning of the Year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year	-	-	-	-
4	Mrs. V Revathi Non Executive – Non Independent Director				
	At the beginning of the Year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year	-	-	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year	-	-	-	0.00
5	R Balasubramaniam Srinivasan Company Secretary & Compliance Officer				
	At the beginning of the Year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year	-	-	-	-

6	Nawal Kishore				
	Company Secretary & Compliance Officer				
	At the beginning of the Year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)				
	At the end of the Year	-	-	-	-

Company Secretary was appointed w.e.f 18.07.2018

ATTACHMENT H

V. Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In Rs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	12,53,74,19,364	34,62,33,886		12,88,36,53,250
(ii) Interest due but not paid	2,58,30,10,228	13,57,24,464		2,71,87,34,692
(iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in indebtedness during the financial year				
Addition		85,24,237		
Reduction	(93,29,38,084)			
Net Change				(92,44,13,847)
Indebtedness at the end of the financial year				
(i) Principal Amount	11,60,44,81,280	35,47,58,123		11,95,92,39,403
(ii) Interest due but not paid	2,58,30,10,228	13,57,24,464		2,71,87,34,692
(iii) Interest accrued but not due				
Total (i+ii+iii)	14,18,74,91,508	49,04,82,588		14,67,79,74,095

ATTACHMENT I
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A) Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs In Lakhs)

Sl No	Particulars of Remuneration	Name of MD/WTD/Manager Mr. G R K Reddy Chairman & Managing Director
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00
2	Stock Option	-
3	Sweat Equity	-
4	Commission as % of profit others, Please specify	0.00
5	others, Please specify (perquisites)	0.00
	Total (A)	0.00

* CMD declined to take any Salary until the Company again Start Making Profits.

ATTACHMENT J
B) Remuneration to Directors (Rs in Lakhs)

Sl No	Particulars of Remuneration	Name of the Directors		Total Amount
		Mr. Sreedhar Challa	Mr. R Dinesh	
1	Independent Directors			
	-Fee for Attending Board /Committee Meetings Commission Others Please Specify			
	Total (1)			
2	Other Non-Executive Directors	Mrs. V Revathi		-
	-Fee for Attending Board /Committee Commission Others Please Specify			
	Total (2)			
	Total (1) +(2)			-

ATTACHMENT K

C) Remuneration to Key managerial personnel:

(Rs in Lakhs)

Sl No	Particulars of Remuneration	Name of the KMP		Total Amount
		Mr. R.B Srinivasan	Mrs. Nawal Kishore	
1	Gross salary	CFO	CS*	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.0	16.90	34.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit -others, specify	-	-	-
5	others, Please specify (perquisites)	-	-	-
	Total	18.0	16.90	34.90

* Company Secretary was appointed w.e.f 18.07.2018

ATTACHMENT L
VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority[RD/NCLT/COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
B. DIRECTORS		-NIL -			
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure C

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2015.

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule (5) (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015:

Sl No	Requirements	Details
1	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	Nil
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Nil
3	The percentage increase in the median remuneration of employees in the financial year;	Nil
4	The number of permanent employees on the rolls of company as on 31.03.2019	47
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Nil
6	The key parameters for any variable component of remuneration availed by the directors;	The Directors are not getting any variable component during the year.
7	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended 31st March, 2019 is as per the Remuneration Policy of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MARG Limited is an ultimate holding company of MARG Group which operates in diversified business operations under different verticals. The Company operates predominantly in Ports, Residential Projects and has presence in other business like Resources, Urban infrastructures etc. The Development Business is focused primarily on the development of affordable residential projects and certain strategically located commercial projects. The Company also offers commercial spaces.

The residential real estate sector is going through a critical transition phase post demonetization as transaction activity has slowed down considerably. While demonetization has had a negative impact in the short term, it will eventually help improve governance standards in real estate and provide a level playing field for organized developers.

ECONOMIC ENVIRONMENT

There is a gradual revival being seen in the construction sector. Road laying is picking up pace and so is other construction activity. While investments are still subdued due to excess capacity across sectors, it is expected that a prolonged period of controlled inflation, a stable government policy and steadily improving per-capita income would improve consumption and lead to a more sustained growth in the range of 7.0-8.5%.

CONSTRUCTION INDUSTRY OVERVIEW

The government announced a big boost for affordable housing, which is expected to be the next big growth area. Under the Smart Cities program, a total of 100 cities will see the program positively impacting the lives of nearly 9.95 crore people with high-quality core infrastructure and a more sustainable quality of life. There have been some positive green shoots for realty in the last 2 years on the funding side and the regulatory side. Mutual funds have been allowed to invest in REITs (Real Estate Investment Trusts) and InvITs, (Infrastructure Investment Trusts) which will give investors securitized access to realty assets.

The Indian real estate industry has seen significant changes due to the challenges posed by ongoing structural reforms. These challenges were further aggravated because of liquidity concerns. Indian real estate industry is currently undergoing a massive transformation due to landmark reforms like Real Estate (Regulation and Development) Act (RERA) 2017 and GST (Goods and Services tax) implementation. Although these initiatives are helping in accelerated sector organization, they have also led to increased uncertainty in the short term.

Business Verticals Overview, Business Segment Review and Outlook

EPC VERTICAL

The EPC division of the Company has an order book of Rs. 2522.79 Crores. Further local and international bids are being planned leveraging the experience gained through execution of Marine, Infrastructure and Industrial EPC. To achieve 'Customer Delight' through innovative, cost effective and value added consulting, Design & Detailed Engineering Services contract and EPC services. The Company is developing finding means for achieving the same.

Dredging at Ariyankuppam river and sea mouth at Pondicherry and Construction of fish landing center at Nagore, Indoor stadium at Karaikal also successfully completed. The company has been awarded the project of Construction of Multi-storey Flats under SFS at Vrindavan Yojana, Lucknow, Uttar Pradesh by UP Housing Developments Board and the same has been handed over to the respective authority.

Some of the other projects like Construction of 2 * 250 MW Power plant CW & SW Package at Bhavnagar, Construction of FRENA Laboratories at Kolkata, Construction of integrated campus at HAL Bangalore and Construction of Dredging and fish Harbor at Mahi, Construction of Head Quarters Building for BPR&D and NCRB at Mahipalpur was awarded by NBCC, Construction of Technical and Administrative Accommodation at strategic Communication Node Palam was awarded by Military Engineers Services, Pravasi Bharatiya Kendra at Plot No.15A, 15B & 15D Chanakyapuri, New Delhi was awarded by NBCC, Construction of Multi-storey Residential Building (G+11) "Srishti Apartment" Phase-I at Jankipuram, Sector-J (Extension), Lucknow, Uttar Pradesh, Construction of Multi-storey 'Smriti Apartment' at Janakipuram Extension Scheme, Sector-J, Lucknow, Uttar Pradesh, Construction of Multi-storey Flats at Vrindavan Yojana-4, Lucknow, Uttar Pradesh by UP Housing Development Board, the HSCC work of Construction of Test Research laboratory (Animal Facility Building) including internal services like plumbing, electrical, fire fighting, fire detection/fire alarm, HVAC etc. at Sector-8, Dwarka, New Delhi in final stage and all the related work is going on in full swing.

MARG is in the process of pipelining additional EPC contracts - bidding for mega contracts in the specialized areas like marine, industrial projects, urban infrastructure and solar & alternate energy sector. Further the EPC divisions of MARG will increase the turnover in the forthcoming years.

MARG EPC has been appreciated for safety practices, a notable achievement as the present accident frequency across all project sites is very less compared to other companies projects.

PORT

Karaikal Port – a deep draft, all weather port and MARG Limited holds substantial stake in the company. The Port is now in the Tenth successful year of operations.

BUSINESS DEVELOPMENT UPDATES

The major customers of Karaikal Port for handling coal imports like AMR Logistics, Apoorva Logistics, Bulk Trans Logistics, Chettinad Cement, Dalmia Cement, Ramco Cements, IL&FS, Ultratech Cements, and The India Cements for handling their coal imports. Karaikal Port added new cargos to the portfolio like Wood pulp and other cargo to bring additional cargo to the port.

SEZ

MARG is developing two special economic zones in the field of Engineering Services and Multi Services spread over 612 acres as part of 'MARG Swarnabhoomi – The Land of New Thinking'. This Project is developed by New Chennai Township Private Limited, a wholly owned subsidiary. MARG Swarnabhoomi is located on the scenic East Coast Road, midway between Chennai and Puducherry.

Engineering Services SEZ is promoted at MARG Swarnabhoomi with the objective of attracting clients in various segments like Auto Components, Fasteners, Valves, Pumps, Power components, Electronic components, Electronic meters, Renewable Energy, etc. M/s Grundfos Pumps, M/s P.H. Hydraulics and Pneumatics, M/s Eswari Electricals, M/s Kwik patch Ltd and M/s Twin Disc (Far East) Pte Ltd are operating in Engineering services SEZ. M/s Zwilling, a German based Kitchenware manufacturer has signed lease deed and started setting up their premises in MARG Swarnabhoomi. M/s Tecpro Energy Systems has registered lease deed and is in advanced stages of setting up their premises in MARG Swarnabhoomi.

The Multi Services SEZ is promoted in MARG Swarnabhoomi to attract clients in various segments like IT/ITES, Knowledge Hub, BPO, KPO, Animation, Medical Tourism, R&D, Publishing etc. The Company has added few clients in the respective year M/s Groom India Salon & Spa Private Ltd and Enterprise Touch etc.

REAL ESTATE DEVELOPMENT

MARG's residential development arm - MARG ProperTies is moving forward as lot of infrastructure growth is happening in Tamilnadu and the company has a strong presence in Chennai where there is a huge demand for residential space. To cater to the housing demand and leverage the economic growth drivers, the company has a strong project pipeline and land bank near the suburban micro-markets. The company's project portfolio is primarily skewed towards mid and low income segment which forms the bulk of the residential demand.

"With 2018 - 19 being the year of landmark decisions for the Indian real estate industry, the sector saw concerted efforts by the Government to bring in transparency as well as boost consumer sentiment in the sector, especially in the residential market is positive with an expectancy of steady growth, stability and revival in the market."

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

The Ministry of Housing and Urban Poverty Elevation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US\$ 460 million).

The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). In the period FY 2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. The impact of demonetization was expected to be shattering for the economy; however, the reality on the ground is quite encouraging; indicative of the fact that the economy is already on its way to fully absorb the impact of the policy

The implementation of Goods and Services Tax (GST) on real estate will directly impact under-construction project is 18% that will be applicable on two-thirds of the value of the property. The controversy over a rise in burden on projects nearing completion was settling down.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards

Marg Properties has an increasingly well-informed consumer base and bearing in mind the aspect of globalization, have shifted gears and accepted fresh challenges and the growing needs for managing multiple projects across cities, are also investing in centralized processes to source material and organize manpower and hiring qualified professionals in areas like project management, architecture and engineering. It is actively involved in the hand over of all the pending units and the company is working closely with Home Buyer associations to address their concerns and to facilitate smooth Handover. It is also accelerated to complete and hand over of nearly 1000 apartment within the FY 19-20.

The following Government initiatives will also engorging us to launch and complete our existing project and launch new projects including Plotted layouts.

- The Cabinet Committee on Economic Affairs (CCEA) has approved various measures to revive the construction sector, putting in place a mechanism to release funds stuck in arbitration awards to revive stalled projects.
- Brihanmumbai Municipal Corporation (BMC) has introduced a single-window clearance for construction which will cut the time taken for getting approvals for a building project and lead to correction in prices of residential property, thereby giving a fillip to Mumbai realty.
- India's Prime Minister Mr. Narendra Modi approved the launch of Housing for All by 2022. Under the Sardar Patel Urban Housing Mission, 30 million houses will be built in India by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP) and interest subsidy.

MARG ProperTies believes that it is well positioned to benefit from the opportunities that will emerge as the economic situation improves further. So, the outlook for 2019-20 is cautiously optimistic.

As the South & West Chennai is getting developed rapidly, MARG ProperTies projects which are located in these areas are benefitted more.

The capital of Tamil Nadu is largely an end-user driven market, making it less prone to speculation. North Chennai is predominantly industrial, while central Chennai is the most developed part of the city with established commercial and residential markets. South and west Chennai, previously predominantly residential areas, are fast turning into commercial zones, hosting a large number of IT and financial services companies.

Outer Ring Road has emerged as the best upcoming investment market with large townships. Outer Ring Road Phase II and Metro Rail Phase II will become operational late this year. The Guindy-Alandur cluster is expected to emerge stronger in the medium term with infrastructure push.

Nodes such as Perungudi, Sholinganallur, Siruseri, along with GST Road, have created enormous employment opportunities in

south Chennai. "The focus of the state government in providing excellent road connectivity along these nodes has helped in the development of this region," says Kanchana Krishnan, Director - Chennai, Knight Frank India.

MARG ProperTies is consistently unique in its marketing and customer service approach.

The Chennai real estate market has tepid response owing to slowing economy. Factors such as slowing economic growth, increase in raw material prices and weak [rupee](#) among others have contributed towards building a negative sentiment among home buyers. MARG properties also witnessed a slowdown in the projects and sales drop highly because of above mentioned economic downturn.

The investment-growth cycle is yet to kick-in, given the weak global outlook and low capacity utilization levels across industries. Persisting corporate sector stress and risk aversion in the Indian banking system has meant that the rate cuts by the RBI have not translated into the much needed reduction in interest rates for both businesses and consumers, which can spur both demand and confidence. Given the capital intensive nature of the business, the real estate industry in India has also been affected by this situation. Real estate is a critical sector for India's economy due to its large potential for employment generation, capital attraction and revenue generation for the Government. It is one of the fastest growing sectors contributing about 6-8% to India's GDP and also a key business segment of your Company. After witnessing fluctuating business cycles in the last decade, the real estate sector witnessed a slowdown due to moderate end user demand, rising inventory and high finance costs. Despite the subdued performance in recent years, India's demographics and urbanization trends present an optimistic future for the residential market. Under 'Housing for All by 2022' significant business opportunities are going to open up for construction and real estate industry. The government is exploring possibility of granting an infrastructure status to affordable housing to attract higher investment.

MARG ProperTies believes that it is well positioned to benefit from the opportunities that will emerge as the economic situation improves further.

HUMAN RESOURCE DEVELOPMENT

MARG considers its employees as its most important asset and has created a work environment that ensures their continued well-being. It strongly aligns the organisation's growth with the growth of every individual who is functional in taking the organisation closer to its goals. It aims at attracting, nurturing and retaining the best industry talent and invests substantial time and energy in maintaining and engaging human resource culture. New employees are trained to make them accustomed to the MARG's culture, while continuing employees are given ample opportunities to explore their talent and capabilities. The Company will continue to expand itself by virtue of its core intellect that resides with human resource. The Company had about 128 employees on its rolls as on 31st March 2019.

CAUTIONARY STATEMENT

Statements in the Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ substantially or materially from those expressed or implied. Important factors that could make a difference to the

Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, policies, tax laws and other incidental factors. Further, the Company retains the flexibility to respond to fast-changing market conditions and business imperatives. Therefore, the Company may need to change any of the plans and projections that may have been outlined in this report, depending on market conditions.

For and on behalf of the Board of Directors

G R K Reddy
Chairman & Managing Director

Place: Chennai
Date: 30th October, 2019

REPORT ON CORPORATE GOVERNANCE

1. Statement on Company's Philosophy on Code of Governance

Marg Limited has come a long way in adopting some of the key principles of Corporate Governance like transparency, fairness, disclosure and accountability. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Company believes that corporate governance is the relationship in between corporate managers directors and the providers of equity, people and institutions who save their interest and invest their capital to earn a return.

It ensures that the Board of Directors are accountable for the pursuit of corporate objectives and the corporation itself conforms to the law and regulation. The Company is in compliance with the mandatory requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 agreement entered into with the stock exchanges with regard to corporate governance.

2. Board of Directors

The Board of Directors along with various Committees provides guidance to the management and directs, supervises and controls the performance of the Company. Information provided to the Board includes quarterly and yearly results of the Company, Minutes of Audit and other Committees, information on recruitment and remuneration of senior officers just below the Board, review of annual operating plans and compliance report etc.

The primary role of the Board is that of trusteeship to protect and enhance stakeholders' value through strategic supervision of the Company and its subsidiaries. Your Company believes an effective Board that exercises leadership, integrity and judgment in directing so as to achieve continuing prosperity and to act in the best interest of the Company.

i. Composition of Board

Your Company's board consists of Directors, with varied and diverse professional background. The Company has an optimum mix of Executive, Non-executive and Independent Directors which is essential to effectuate the two main functions of the Board viz. Governance and Management.

The board presently consists of FOUR directors comprising of Managing Director, who is also the Chairman of the board and THREE Non-Executive Directors out of which TWO are independent Directors.

ii. Directorships and Committee Memberships

The total number of Directorships held by the Directors and the position of Membership / Chairmanship on Committees as on 31st March 2019 is given below. All the Directors are compliant with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and "SEBI Regulations" in this regard. Such declarations are placed at the Board meeting.

Sl. No	Name(s) of Director(s)	Executive/ Non-executive/ Independent	Director Identification Number	Number of Directorship in other Public Companies ¹		Number of Committee positions in other Public Companies ²	
				Member	Chairman	Member	Chairman
1	Mr. G R K Reddy	PD/ ED	00903778	2	1	2	-
2	Mrs. V Revathi	NED	08181655	1	-	-	-
3	Mr. Rajendran Dinesh	ID/ NED	00845119	-	-	-	-
4	Mr. Sreedhar Challa	ID/ NED	06468225	-	-	-	-

PD – Promoter Director; ED - Executive Director; NED - Non Executive Director; ID – Independent Director

1. The directorship does not include directorship in Private Limited Company which are not subsidiary of Public Limited Company, Section 8 Companies and Companies Incorporated outside India.

2. In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, membership/chairmanship of only Audit Committee and Shareholders/ Investor Grievance Committee has been considered.

iii. Directors' Profile

Brief Resume of all the Directors are given below:

Mr. G R K Reddy, Chairman & Managing Director (Executive, Non-Independent)

Mr. G R K Reddy (DIN 00903778) aged 60 years, is a Post-Graduate in Commerce and alumni of Kellogg School of Management. He started his career in 1985 as a Merchant Banker

and gained rich experience in advising and structuring various financial instruments. Later in 1994, he moved to the Constructions & Infrastructure industry, and promoted 'MARG'. He made MARG among India's fastest growing infrastructure organisations and a premier group operating in South India providing Marine Infrastructure, Industrial Clusters, Real Estate, Power, Civil, Residential and Commercial Projects. GRK is actively involved with Confederation of Indian Industry (CII) and is a member on a number of prestigious committees like Steering Committee, City Connect Program – CII task force on Building Inclusive Cities; CII Tamil Nadu, CEO Forum, Indian Institute of Technology, Chennai, Rural Technology & Business Incubator (RTBI), Academic Council of the Anna University, Chennai He is currently the President of Indo-Australian Chamber of Commerce.

Mrs. V Revathi, Director (Non-Executive, Non-Independent)

Mrs. V Revathi (DIN 08181655) Aged 28 years is expert which good expertise in taxation and accounting Background.

**Mr. Rajendran Dinesh,
Director (Non-Executive, Independent)**

Mr. Rajendran Dinesh (DIN: 00845119) aged 44 years he has done Master of Law (ML) - Specializing in IPR, LLB, along with Masters in Business Administration – Systems. He has over 18 years of rich experience end-to-end execution of IT programs covering activities like stakeholder & vendor management, project management, team management and risk handling, inclusive of defining the IT roadmap, budgeting and technology evaluation.

**Mr. Sreedhar Challa,
Director (Non-Executive, Independent)**

Mr. Sreedhar Challa (DIN: 06468225) aged 46 years He has expertise in various areas of financial services, legal & company

affairs spread over more than 23 years of diversified corporate experience and Non-Banking Financial services. Among his academic accomplishments include an MBA, MFT, Pre qualification as Company Secretary and PGPMAX from ISB and business programs from FDC-Brazil, Wharton and Kellogg and capital market related certifications.

He was earlier independent director in GMRJE Ltd, Megsan Labs Pvt Ltd, Gencrunch Technologies Pvt Ltd and Paynear Solutions Ltd.

i. Attendance of Directors at Board Meetings and at Last Annual General Meeting (AGM)

During the financial year 2017-18, EIGHT meetings of Board of Directors were held on 29th May 2017, 08th August, 2017, 27th September, 2017, 21st November, 2017, 03rd February, 2018, 12th February 2018, 23rd March, 2018 and 30th March 2018 and Annual General Meeting was held on 27th September, 2017.

Sl. No	Name(s) of Director (s)	Board Meetings attended	Attendance at Previous AGM
1	Mr. G R K Reddy	8	Yes
2	Mrs. V Revathi	4	No
3	Mr. Rajendran Dinesh	8	Yes
4	Mr. Sreedhar Challa	8	Yes

3. Code of Business Conduct

Your Company has adopted a Code of Conduct which applies to all its Directors and employees of the Company in terms of Regulation 17 of the SEBI (LODR) Regulations, 2015, which is also uploaded on the website of the company, (www.marggroup.com). The Code of Conduct is an annual declaration that helps to maintain high standards of ethical business conduct for the Company. All Board Members and senior Management personnel have affirmed their compliance with the Code of Conduct for the year ended 31st March 2018. A declaration signed by the Managing Director affirming the compliance with the Code of Conduct by the Board of Members and Senior Management Personnel of the Company is attached and forms part of this Report.

4. Committee of Directors

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and the SEBI Regulations. The Board has constituted several committees, both mandatory and non-mandatory in accordance with Companies Act 2013. Mandatory Committees are Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Sexual Harassment Committee. The non-mandatory Committees have been constituted to deal with specific matters and have been delegated with powers for different functional areas.

The Board has constituted the following NINE Committees namely:-

Mandatory Committees	Non-mandatory Committees
I. Audit Committee	II. Compensation Committee
III. Nomination and Remuneration Committee	IV. Capital Issues and Allotment Committee
V. Stakeholders Relationship Committee	VI. Banking and Legal Matters Committee
VII. Sexual Harassment Committee	VIII. Business Review Committee
-	IX. Corporate Social Responsibility Committee

The Board is authorised to constitute additional functional Committees from time to time depending on the business needs.

i. Audit Committee

The audit committee plays a major role in corporate governance regarding the organization's direction, control, and accountability. As a representative of the board of directors and main part of the corporate governance mechanism, the audit committee is involved in the organization's both internal and external audits, internal control, accounting and financial reporting, regulatory compliance, and risk management.

MARG's Audit Committee comprises of THREE Non-Executive Directors out of which TWO are Independent Directors. All the Committee members have sound knowledge in finance and accounts. Mr. Sreedhar Challa and Mrs. V Revathi possess expert knowledge in finance and accounts. Mr. Sreedhar Challa, Independent Director is the Chairman of the Committee.

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems audit and interacts with statutory auditors and internal auditors. Senior Executives and functional heads are invitees to the committee meetings. Besides, the Committee reviews audit plans, quarterly and annual financial

results, management discussion and analysis of financial condition and result of operations, related party transactions, observations of the internal/external auditors on internal control follow-up reports of the management.

Composition of the Audit Committee and Attendance of each member in the Committee Meetings are given below:

Sl. No.	Name	Category/ Status	Meetings Attended
1	Mr. Sreedhar Challa	NED/ID/ Chairman	4
2	Mrs. V Revathi	NED/ Member	1
3	Mr. Rajendran Dinesh	NED/ID/Member	4
4	Mr. Sreedhar Challa	NED/ID/Member	4

The Chief Financial Officer, Internal Auditors and Statutory Auditors are invitees to the relevant meetings of the Audit Committee in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of Significant Related Party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Internal audit reports relating to internal control weaknesses.
- To review the functioning of the whistle blower mechanism.

Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 14th February 2019 without attendance of non-independent directors and members of the management. All the Independent Directors attended the meeting and:

- Reviewed the performance of non-independent directors and the Board as a whole:
- Reviewed the performance of Chairman of the Company, taking into account the views of executive directors and non-executive directors:
- Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors of the Company are experts in their respective fields. They bring with them specialized skills, vast

During the financial year 2018-19, FOUR meetings of Audit Committee were held on 30th May 2018, 14th August 2018, 14th November 2018 and 14th February 2019.

The Members of the Committee are:

repertoire of knowledge and a wide diversity of experience and perspectives. In view of their significant expertise, the Independent Directors may recommend the mechanism for evaluating the performance of the Board as a whole and as well as individual directors.

In lieu of such recommendation, the criteria for Performance Evaluation laid down below may be considered. However, the below mentioned criteria is only suggestive and the Board / Directors may consider such other criteria as they may deem necessary for effective evaluation of performance.

Familiarisation Programme for Independent Directors

The Company has familiarised the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model etc. through a familiarisation programme. Details of the familiarisation programme have been disclosed on the Company's website.

ii. Nomination and Remuneration Committee

The Company, to comply with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has constituted a Nomination & Remuneration Committee.

The Committee determines and recommends to the Board of Directors, the remuneration payable to the Board of Directors. The resolution for the appointment and remuneration payable to the Board of Directors are approved by the shareholders of the Company.

The terms of reference of the Committee are as stipulated under Schedule II Part (D) of the Regulation 19 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which inter alia includes the following:

- Formulation of criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and Other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.

Composition of the Remuneration Committee and Attendance of each member in the Committee Meetings are given below.

During the financial year 2018-19, ONE meeting was held on 30th May 2018.

Sl. No	Name(s) of Director (s)	Category/ Status	Meetings attended
1	Mr. Sreedhar challa	NED/ID/Chairman	1
2	Mrs. V Revathi	NED/Member	1
3	Mr. R Dinesh	NED/ID/Member	1

Remuneration to Directors

As suggested by the Committee, remuneration and commission are not payable to Managing Director and Non - Executive Directors due to Loss incurred by the company in the current financial year 2018-19.

Further Non-Executive Directors were paid a sitting fee of Rs. 20,000/- to Mr. Sreedhar challa & Mr. R Dinesh and Rs. 10,000/- to

Mrs. V Revathi for each Board or Committee Meeting attended by them.

Shareholding of Directors

Details of Shares held by the Directors in the Company as on 31st March 2019 are as follows:

Name	Number of Shares
Mr. G R K Reddy	1203057
Mrs. V Revathi	Nil
Mr. Rajendran Dinesh	Nil
Mr. Sreedhar Challa	Nil

iii. Stakeholders Relationship Committee

The Committee consists of THREE Non-Executive Directors out of which TWO are Independent Directors. The Committee has delegated the authority for share transfers to the Managing Director. The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investor's services and reviews all matters connected with transfer/transmission of securities of the Company and approves issue of duplicate certificates. The

Committee also looks into redressal of shareholder's/ investor's complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared dividend etc.

The composition of the Stakeholders Relationship Committee and attendance of each member in the Committee Meetings are given below:

During the year FOUR meetings were held on 30th May 2018, 14th August 2018, 14th November 2018 and 14th February 2019.

Sl. No	Name(s) of Director(s)	Category/ Status	Meetings Attended
1	Mr. Sreedhar Challa	NED/ID/Chairperson	4
2	Mr. Rajendran Dinesh	NED/ID/Member	4
3	Mrs. V Revathi	NED/Member	1

Company Secretary

Mr Janmohan Mohapatra, Company Secretary has resigned from his post w.e.f 18th July, 2018 of the Company and Mr Nawal Kishore has appointed as Company Secretary of the Company w.e.f. 18th July, 2018.

Investors' Grievance Redressal

During the year, no investor complaints were received during the year. None was pending unresolved as on 31st March 2019.

iv. Business Review Committee

This Committee presently consists of THREE Non-Executive Directors out of which TWO are Independent Directors. The Committee reviews the progress of various projects inter-alia operations, finances and execution. The members of the Business Review Committee are:

Sl. No	Name(s) of Director(s)	Category/ Status
1	Mr. Sreedhar Challa	NED/ID/Chairperson
2	Mr. Rajendran Dinesh	NED/ID/Member
3	Mrs. V Revathi	NED/Member

v. Banking and Legal Matters Committee

The Banking and Legal Matters Committee consists of ONE Executive and THREE Non-Executive Directors out of which TWO are Independent Directors. The Committee has been constituted with a view to expedite various banking, legal and other statutory or non-statutory issues which otherwise requires the approval of Board.

The members of the Banking and Legal Matters Committee are:

Sl. No	Name(s) of Director(s)	Category/ Status
1	Mr. G R K Reddy	Chairman & Managing Director/ED/NID
2	Mr. Rajendran Dinesh	NED/ID/Member
3	Mr. Sreedhar Challa	NED/ID/Member

vi. Corporate Social Responsibility (CSR) Committee

The Company has constituted Corporate Social Responsibility (CSR) committee under Section 135 of Companies Act, 2013 to review the CSR Policy and its effective implementation from time to time.

IX. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2014, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information.

The Company is committed in providing and promoting a safe and healthy work environment for all its employees. It has zero tolerance towards sexual harassment at the workplace and has adopted a policy for 'Prevention and Redressal of Sexual Harassment at the Workplace' in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual

harassment at workplace, along with a structured reporting and redressal mechanism. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The policy has been circulated among the employees of the Company and the same is exhibited in the notice Board of all the business locations / divisions of the Company.

During the year under review, the Company has not received any complaint of sexual harassment.

5. Subsidiary Companies and its Management:

There are FIFTY EIGHT subsidiary Companies of MARG Limited as on 31st March 2019. All the Subsidiaries are Board Managed Companies and the Company monitors the performance of the subsidiaries with reference to their functions, finance and management. Out of the above 58 Companies 6 are Non-wholly owned and balance 52 are wholly owned subsidiaries including 25 Step down Subsidiaries.

The details of Marg shareholding in subsidiary companies (non-wholly owned) are given below:

Name of the Subsidiary	Instrument	Face/ Paid up Value in Rs.	Paid – up Capital		MARG Ltd Shareholding	
			No. of Shares	Rs. in Crores	No. of Shares	% of holding
Karaikal Port Private Limited *	Equity Shares	10.00	5,507,921,12	550.79	47,379,530	8.60%
Riverside Infrastructure (India) Private Limited	Equity Shares	10.00	163,000,000	163.00	120,500,000	73.93%
Future Parking Private Limited	Equity Shares	10.00	49,00,000	4.90	24,99,000	51.00%
Signa Infrastructure India Limited	Equity Shares	10.00	50,000	0.05	37,000	74.00%
MARG Swarnabhoomi Port Private Limited	Equity Shares	10.00	12,500	0.01	11,250	90.00%
MARG Sri Krishnadevaraya AirPort Private Limited	Equity Shares	10.00	10,000	0.01	2,600	26.00%

* Investments comprise of holdings in Karaikal Port Private Limited. The company had pledged shares held in Karaikal Port Private Limited (KPPL) for the loan availed by KPPL. The lending Bank invoked the pledge of 202392000 Equity shares in earlier years, having total carrying cost of Rs 202.39 crores as on 31st March, 2019. Edelweiss ARC has restructured KPPL loan whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. As per the EARC, they have been allotted shares for their partial debt outstanding on September,30 2019 as post reinstatement Marg Limited will again hold Equity shares to the extent of 40.56% in KPPL.

6. General Body Meeting

Date, time and location for the Annual General Meetings of the Company held in last three years:

Financial Year	Date	Time	Place of the Meeting	No. of Special Resolutions passed
2017-18	28.09.2018	3.00 pm	Hotel Rainbow, No 10, C.V Raman Road, Alwarpet, Chennai - 600 018	-
2017-18	06.07.2018	11.00 am	Marg Axis, 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600 041	-
2016-17	27.09.2017	3.00 pm	Hotel Park Plaza, 142, Rajiv Gandhi Salai, Thoraippakkam, Chennai – 600 097	-
2015-16	14.03.2017	3.00 PM	Marg Axis, 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600 041	-

7. Postal Ballot

No resolution was passed through Postal Ballot during the Financial Year 2018-19. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

8. Disclosures

I None of the transactions with any of the related parties' viz., Promoters, Directors or the Senior Management, their Subsidiaries or relatives were in conflict with the interest of the Company. Suitable disclosures as required by the IND AS 24 Related Party Disclosures have been made separately in the Annual Report.

The related party transactions with Subsidiary Companies are at arm's length and are based on consideration of business necessity and strategy for investments, profitability, legal requirements and the like.

II Company has complied with all the requirements under of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered with Stock Exchanges as well as regulation and guidelines of SEBI. There has been no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Regulatory Authorities, on any matters related to capital markets during the last three years.

III Company has established Whistle Blower Policy and no personnel is denied the access to the Audit Committee.

IV The Company complies with the mandatory requirements and non-mandatory requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Disclosure relating to the compliance has been provided separately in this report. The Company has obtained a certificate from its auditors regarding compliance of conditions of Corporate Governance and the certificate forms part of this report.

9. Code of Conduct for Prevention of Insider Trading

In view of the enactment of SEBI (Prohibition of Insider Trading) Regulations 2015, the Board of Directors of the Company has adopted a new Code of Conduct for Prevention of Insider Trading at its meeting held on May 29, 2017. This code is applicable to all Promoters, Directors, Key Managerial Personnel and Designated Persons. The new Code is available on the website of the Company at <http://www.marggroup.com>.

10. Management Discussion and Analysis

A detailed Report on Management Discussion and Analysis forms part of the Director's Report.

11. Means of Communication

I The Un-audited Financial Results on quarterly basis along with Limited Review Report of the Auditors of the Company are approved by the Board of Directors at its meeting for every quarter, as per the Listing requirement (LODR) and the same are furnished to all the Stock Exchanges where the Company's shares are listed within Thirty minutes of Close of the Meeting. The Un-audited Financial Results along with the Limited Review Report of the Auditors are placed before the Audit Committee. The same along with recommendation of the Audit Committee are forwarded to the Board of Directors for their consideration.

II The Financial results as per the requirement of Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are published within 48 hours in two newspapers, one in English daily - News Today, and one in Regional (Tamil) Language daily - Malaisudar. Additionally, it is also

published in magazines and financial newspapers having national circulation.

III The quarterly results, shareholding pattern and other mandatory information are available at the website of Company, i.e. www.marggroup.com. The Company's website provides all necessary information and contains news releases.

IV In accordance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has maintained a functional website at www.marggroup.com and contains information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, Compliance Certificate obtained from R&TA, Investor Complaints, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, all necessary information and contains news releases and the presentations made to Institutional Investors or to/by analysts are also put on the website of the Company. The contents of the said website are updated from time to time.

V The shareholders can also write to this email id investor@marggroup.com about their issues for correspondence.

12. CEO/CFO Certification

Pursuant to Regulation 17(8) of the Listing Regulations, certificate duly signed by Mr. G R K Reddy, Chairman & Managing Director and Mr. R B Srinivasan, Chief Financial Officer of the Company was placed at the meeting of the Board of Directors of the Company and is appended as an Annexure to this Report.

13. Report on Corporate Governance

As required under Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this section forms part of Annual Report relating to Corporate Governance containing detailed compliance report on Corporate Governance for both mandatory and non-mandatory requirements as provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company also submits a quarterly Compliance Report to the Stock Exchanges within 15 days from the close of every quarter as per the format provided by SEBI.

Your Company has complied with the Corporate Governance norms as stipulated under the Listing Regulations. A certificate of Statutory Auditor confirming compliance of the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

14. Non-Mandatory Requirements

As far as adoption of non-mandatory requirements, No separate Chairman's office is maintained since Chairman is Executive. The Company has set up the Remuneration Committee of the Board of Directors, the details of which have been provided under the section "Committee of the Directors", The Company has also formulated a comprehensive whistle blower policy for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. During the year under review, the management has given its reply in the Director's Report for the observations made by the Auditors in their report. The Company has not adopted any other non-mandatory requirement.

15. General Shareholder Information:

I. Information about 24th Annual General Meeting

Date and Time	: 29th November 2019 at 3:00 PM
Venue	: Hotel Rainbow No. 10, C.V. Raman Road, Alwarpet, Chennai - 600 018.

II Financial Year

The financial year of the Company commences with 1st April every year and ends with 31st March in the succeeding year. The financial year 2018-19 started on 1st April 2018 and ended on 31st March 2019. The current financial year 2019-20 started on 1st April 2019 and would end on 31st March 2020.

Financial Calendar

(Tentative Board Meeting Calendar for the Financial Year 2019-20)

For First Quarter 30th June 2019 : on or before 14th Aug. 2019

For Second Quarter 30th Sep. 2019 : on or before 14th Nov. 2019

For Third Quarter 31st Dec. 2019 : on or before 14th Feb. 2020

For Fourth Quarter 31st Mar. 2020 : on or before 30th May 2020

Revalidation of Dividend Warrants

In respect of members who have either not opted for NECS/ECS mandate or do not have such a facility with their banker and who have not en-cashed earlier dividends paid by the Company, are requested to write to Company's Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend owing to transfer of unclaimed.

Unclaimed Dividend

The Company has sent intimation to shareholders, who have not yet preferred a claim of their Unclaimed Dividend and are therefore, requested to contact the registrar and share transfer agents immediately.

Section 124 of the Companies Act, 2013 mandates companies to transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned below, if unclaimed within a period of seven years, will be transferred to the IEPF.

During the financial year 2018 - 19, the Company has transferred to the IEPF Authority, the Unclaimed Dividend for the FY 2010-11 of Rs. 5,90,386/-. The unclaimed dividend amounts which have been transferred to the IEPF authority account during the year can be claimed by the members concerned from the IEPF Authority after

complying with the procedure prescribed under the IEPF Rules.

E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time the Company is pleased to provide members the facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services India Limited (CDSL).

Pursuant to the amendments made in Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

III. Date of Book Closure

The Register of Members and Share Transfer Books shall be closed for a period of 7 days starting from 23rd November 2019 to 29th November 2019 (Inclusive of Both Days) for the purpose of Annual General Meeting (AGM) to be held on 29th November 2019.

IV. Listing on Stock Exchanges

The Equity Shares of the Company are currently listed on Bombay Stock Exchange Limited only.

V. Stock Code/Symbol

- i) Bombay Stock Exchange Limited
Stock Code: 530543 (For Equity Shares of the Company)
- ii) DEMAT ISIN in NSDL and CDSL for equity shares is INE941E01019

VI. Market Price Data

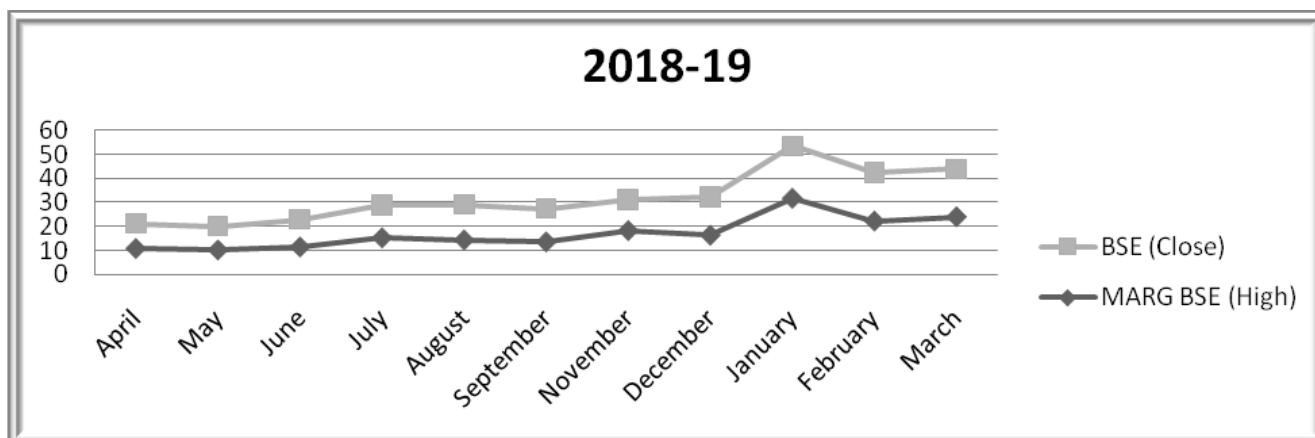
Following are the monthly High / Low Price & Trading Volume of Equity Shares of Company at Bombay Stock Exchange Limited:

VII. Performance vis à vis BSE SENSEX

Year	Month	High(Rs.)	Low(Rs.)	Monthly Volume
2018	April	25.85	15.8	23280635
2018	May	24.4	18.3	17076628
2018	June	21.4	17.25	8874678
2018	July	21	17.1	7510633
2018	August	20.3	17.2	9972137
2018	September	19.8	14.2	5462362
2018	October	14.8	11.8	3457466
2018	November	17	12.01	5272619
2018	December	14.4	12.04	3254327
2019	January	17.8	11.85	10579442
2019	February	16.26	12.5	4973982
2019	March	19.99	13.65	8105743

A comparative line chart showing performance of share price (Closing High) of the Company with BSE Sensex (Closing High) during the financial year 2018-19:

Note: The chart has share prices and moments in indices month-wise from 1st Working Day of April 2018 till Year ending 31st March 2019.



VIII. Registrar and Share Transfer Agent

M/s. Cameo Corporate Services Limited acts as Registrars and Share Transfer Agent. The Company has also entered into agreements with both the depositories NSDL and CDSL. Following is the address of the Registrar and Share Transfer Agents:

M/s. CAMEO CORPORATE SERVICES LIMITED
 Subramanian Building,
 No. 1, Club House Road, Chennai - 600 002
 Ph: +91 44 2846 0390, Fax: +91 44 2846 0129
 Email: investor@cameoindia.com

IX. Share Transfer System

As on 31st March 2019, shares representing 99.02% of total paid-up capital of the Company are in electronic form. As regards transfer of shares in physical form, the transfer documents can be lodged with M/s. Cameo Corporate Services Limited at the above address. The physical transfers are normally processed within 7-10 days from the date of receipt of documents, complete in all respects.

X. Shareholding as on 31st March 2019

Categories of Shareholding as on 31st March 2019

S. No	Category	No. of Shares Held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters	6,388,691	12.57%
2	Persons acting in Concert	-	-
	Sub Total (A)	6,388,691	12.57%
B	Non Promoters Holding		
1	Mutual funds/FIs/Banks	1,109,732	2.18%
2	Bodies Corporate	1,76,46,971	34.72%
3	Indian Public (Individuals/HUF)	2,46,85,971	48.58%
4	NRI/Foreign Nationals/ Foreign Corporate Bodies	7,23,937	1.85%
5	Trusts	224,000	0.59%
6	Others (Clearing Members and Employees)	39,157	4.29%
	Sub Total (B)	4,44,29,768	83.24%
	Grand Total (A+B)	50,818,459	100.00%

XI. Dematerialization of Equity Shares and Liquidity

DEMAT ISIN in NSDL and CDSL for equity shares is INE941E01019.

Authorised Share Capital of Rs. 550,000,000/- (Rupees Fifty Five Crores only) comprising of 55,000,000 (Five Crores and Fifty Lakhs) equity shares of Rs. 10 each. The paid up Capital of the Company as on 31st March 2019 is Rs. 50,81,84,590 (Rupees Fifty Crores Eighty one Lakhs Eighty Four Thousand Five Hundred and Ninety only) consists of 5,08,18,459 (Rupees Five Crores Eight Lakhs Eighteen Thousand Four Hundred and Fifty Nine only) Equity shares of Rs.10 each. Out of the above shares 5,01,020 Equity Shares representing 0.98% are held in physical form and balance 5,03,17,439 Equity Shares representing 99.02% are held in dematerialised form.

Reconciliation of Share Capital Audit

As per the requirement under SEBI (Depositories and Participants) Regulations, 1996 the Reconciliation is being done by a Practicing Company Secretary on quarterly basis for reconciling total admitted capital with NSDL and CDSL and total issued and listed capital. The Company has obtained a Reconciliation of Share Capital Audit Report for all the four quarters during the year ended 31st March 2019 and same has been forwarded to Stock Exchanges. The audit confirms that the total issued/ paid up Capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL.

XII. Location of projects

The Company is engaged in business of Constructions and Infrastructure Development. Accordingly the activities are carried on at the concerned location where the projects are being undertaken.

XIII. Address for Correspondence

The Registered Office of the Company is situated in the following address. All correspondences should be addressed to:

The Company Secretary
MARG Limited
Sri Sai Subhodaya
No. 57/2B, East Coast Road, Chennai – 600 041
Ph: +91 7825888140
Email: investor@marggroup.com

For shareholder's grievance, the communication should be addressed to the Registrar and Transfer Agents at the following address:

M/s. CAMEOCORPORATESERVICESLIMITED
Subramanian Building
No. 1, Club House Road
Chennai – 600 002
Ph: +91 44 2846 0390
Fax: +91 44 2846 0129
Email: investor@cameoindia.com

Non-Mandatory Requirements

(1) The Board

No separate Chairman's office is maintained since Chairman is Executive.

(2) Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee full details are furnished under in this Report.

(3) Shareholder Rights

The half-yearly declaration of financial performance together with the summary of significant events is not individually disseminated to the shareholders. However, the information on financial and business performance is updated in the 'Investor Relations' section of the Company's website, www.marggroup.com, on a quarterly basis.

(4) Audit qualifications

Whenever the auditor makes any observation/emphasizes any matter, the Board of Directors provides explanation to the same in the Board's Report.

(5) Reporting of Internal Auditor

The Internal Audit Report for every Quarter has been placed before the Board for adequate internal control systems.

(6) Training of Board Members

The Company's Board of Directors consists of professionals with expertise in their respective field and industry. They endeavour to keep themselves updated with changes in global economy & legislation. They attend various workshops and seminars to keep themselves abreast with the changing business environment. The company briefs its directors the risk profile of the business parameters of the company so as to make them effectively discharge their responsibilities as directors.

(7) Mechanism for evaluating non-executive Board Members

The Company has adopted a policy for evaluation of Non-Executive Board Members primarily based on the attendance and few other factors including contribution at the Board Meeting and at Audit Committee Meeting of the Board.

(8) Whistle Blower Policy

The Company's Whistle Blower Policy is in line with the provisions of the Sub-Section 9 and 10 of Section 177 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy establishes a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The said mechanism also provides for adequate safeguards against victimisation of persons whose such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We confirm that during the financial year 2018-2019, no employee of the Company was denied access to the Audit Committee.

For and on behalf of the Board of Directors

G R K Reddy
Chairman & Managing Director

Place : Chennai

Date : 30th October, 2019

DECLARATION ON CODE OF CONDUCT

DECLARATION UNDER Code of Conduct pursuant to Clause D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

I, G R K Reddy, Chairman and Managing Director of MARG Limited, to the best of my knowledge and belief hereby declare that all the members of the Board of Directors and the Senior Management Personnel of MARG Limited have affirmed Compliance with Code of Conduct for the year ended 31st March 2019.

For and on behalf of the Board of Directors

G R K Reddy

Chairman & Managing Director

Place : Chennai

Date : 30th October, 2019

CEO and CFO Certification**CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Marg Limited confirm and certify that:

a) We have reviewed the financial statements and the cash flow statement for the quarter ended on 31st March , 2018 and based on our knowledge and belief, state that:

i. These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;

ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.

b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violate of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:

i. Significant changes, if any, in the internal control over financial reporting during the year;

ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and

iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

GRK REDDY

Managing Director

R B SRINIVASAN

Chief Financial Officer

Place : Chennai

Date : 30th October, 2019

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Marg Limited

CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement with Marg Limited ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

MANAGEMENTS' RESPONSIBILITY

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

SECRETARIAL AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

OPINION

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.
7. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

NEHA AGRAWAL

Practicing Company Secretary

Mem No. 7077, CP No.: 8065

Place: Chennai

Date: 30th October 2019

INDEPENDENT AUDITORS' REPORT

TO

The Members of MARG LIMITED
Report on the Standalone Ind AS Financial Statements
Qualified Opinion.

We have audited the accompanying standalone Ind AS financial statements of MARG LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

In our opinion and to the best of our information and according to the explanations given to us, except or the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Standalone Ind AS financial position of the Company as at 31st March, 2019, and its loss (financial performance including other Comprehensive Income), Changes in Equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

1. Attention is invited to Note 28; the company has not provided for interest for the year ended 31st March, 2019 on certain borrowings from Banks and Financial institutions and also on loans that are assigned to Asset Reconstruction Companies (ARCs), which in our opinion, the Company has not followed accrual system of accounting and Disclosure of accounting policy is not in accordance with Ind AS 1-Presentation of Financial Statement to this extent. We are unable to comment upon the settlement of finance cost on the aforesaid loans and carrying value of the aforesaid loans and the consequential impact, if any that may arise on the above said matters.

2. Attention is invited to Note 31 - 33; the company has not charged interest for the year ended 31st March, 2019 on loans that are given to Subsidiaries, which in our opinion, the Company has not followed accrual basis of accounting and Disclosure of accounting policy is not in accordance with Ind AS 1-Presentation of Financial Statement to this extent. Consequently, the loss for the year ended 31st March, 2019 are overstated by Rs. 22.15 Crores, Other Equity and Financial Assets as on 31st March, 2019 are understated by the same amount.

3. Attention is invited to Note 34(c); The Company has not provided for Rs. 9.71 Crores relating to work in progress for EPC work done which remain unbilled as on 31st March, 2019 and Management fee of Rs. 12.22 Crores not acknowledged by one of its erstwhile subsidiary, Karaikal Port Private Limited. Consequently, the loss for the year ended 31st March, 2019 are understated by Rs. 21.93 Crores Accumulated Reserves and Current assets as on 31st March, 2019 are overstated by the same amount.

4. Attention is invited to Note 35; regarding invocation of shares held in M/s Karaikal Port Private Limited amounting to Rs. 202.39 Crores as on 31st March, 2019 by the lending banker on account of repayment defaults. Consequently, the percentage of shareholding of Marg Ltd in Karaikal Port Private Limited (KPPL) has reduced to 8.61% as on 31st March 2019. The Lender Bankers has assigned those loans to Edelweiss ARC (EARC) and EARC has restructured KPPL loan whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. As per the EARC settlement plan, KPPL has allotted further shares for their partial debt outstanding on 30th September 2019. The percentage of shareholding of Marg Ltd in Karaikal Port Ltd has further reduced to 7.69% as on 30th September 2019. In lieu of this, KPPL will not be considered as a subsidiary of Marg Limited. We are unable to comment upon the consequential impact, if any, that may arise on the above said matters.

5. Attention is invited to Note 36; Regarding confirmation/reconciliation of some of the equipment loans availed by the company, which was not obtained/carried out for the balances as on 31st March, 2019. The differences arising out of the reconciliation, if any, together with the unreconciled amount of Rs. 6.52 Cr relating to the same loan accounts as on 31st March, 2016 continues to be unascertained for the year ended 31st March, 2019. Such differences, if any, will impact the losses for the year ended 31st March, 2019, accumulated revenue reserves and balances of such loan accounts as on 31st March, 2019.

6. Attention is invited to Note 37; The Company did not obtain / receive statements, balance confirmation for most of the current and other accounts maintained with various banks. The company's bank accounts were attached by Income Tax Investigation Wing during search conducted at the various premises/sites of the company in Financial Year 2017-2018. The company is in the process of lifting the bank attachment. However, debit release approval is obtained from the Income Tax Department for staff salary and other related payments.

7. The company did not obtain / receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties including loans and advances other than related parties for the balances as on 31st March, 2019. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

8. The company has considered M/s Future Parking Private Limited as its subsidiary and accordingly made disclosures in the standalone Ind AS financial statements for the year ended 31st March, 2019. Due to change in control over operations and management of M/s Future Parking Private Limited the said company ceased to be a subsidiary of the company as per Ind AS 110 regardless of shareholding of 51%; further as per the audited financial statements of M/s Future Parking Private Limited, it has

not recognised this company as its Holding Company as on 31st March, 2019. Hence, in our opinion the disclosures made in Note 53 of the standalone Ind AS financial statements are not in accordance with Indian Accounting Standard 24-“Related Party Disclosures” and Schedule III of the Act.

9. The Company has investment in Karaikal Port Private Limited (unquoted equity shares) with a carrying value at cost of Rs.249.79 Crores. The Company has not done fair valuation of this investment as required by Ind AS 109 “Financial Instrument”. In the absence of fair valuation report, we are unable to comment on the impact if any, on this investment as at 31st March, 2019.

10. Attention to Note 31 – 33, to the standalone financial results, regarding the Company’s non-current investment (including deemed investment) in subsidiaries / step down subsidiaries (unquoted Equity Shares) aggregating Rs. 317.13 Crore as at 31

March 2019. The Company has not carried out fair valuation of this investment as required by Ind AS 109 “Financial Instrument”. In the absence of fair valuation of unquoted Equity Shares in Subsidiaries, we are unable to comment on the impact if any, on this investment as at 31st March, 2019.

Key Audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Without qualifying our opinion, we draw attention to the following notes to Standalone Ind AS financial statements:

Sl.No	Key Audit Matter	How our audit addressed the key audit matter
1.	<p>Revenue recognition using the “Percentage of Completion Method” and Appropriateness of disclosures of revenue and other related balances in view of the Adoption of Ind AS 115</p> <p>During the year the Company recognised revenue from its construction contracts (Construction Projects) based on the Percentage of Completion (POC Method) method amounting to Rs. 3.90 Crores</p> <p>The POC on construction projects was measured by reference to the surveys of work performance (Output Method).</p> <p>We focused on this area because of the significant management judgement required in:</p> <ul style="list-style-type: none"> • The estimation of the physical proportion of the contract work completed for the contracts; and • The estimation of the revenue for the work done on the contracts with the customers that could arise from the variations to the original contract terms, and claims. Variable consideration is recognised when the recovery of such consideration is highly possible. <p>Further, Ind AS 115 mandates robust disclosure to be made in the Ind AS financial statements which involves collation of information in respect of disaggregation of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>Our procedure included:</p> <ul style="list-style-type: none"> • Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness. • Verification of Company’s year-end internal construction progress reports to validate the percentage of construction work completed and compared with latest certificates issued by the Project owners/project management consultants, as the case may be. • Testing a sample of contracts for appropriate identification of performance obligations. • For the sample selected, reviewing for the change orders and the management assessment on the estimation of the revenue arising from the variations of the original contract. • Evaluated the design of internal controls relating to collation of data required for making disclosures as per Ind AS 115. • Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.

Emphasis of Matters

Without qualifying our opinion, we draw attention to the following notes to standalone Ind AS financial statements:

1) Note 30, regarding preparing Standalone Ind AS financial statements on ‘Going concern’ basis. The accompanying Standalone Ind AS financial statements have been prepared on a going concern basis, after giving due considerations to all matters more fully explained in the said note.

2) Note 31, regarding investments in, advances and receivables from its subsidiaries aggregating to Rs. 1109.95 Crores (PY Rs.1096.29 Crores) as on 31st March, 2019. No provision for diminution/recoverability is considered necessary for reasons stated therein.

3) Note No. 16 and 28(b), The company has signed settlement plan with Edelweiss Asset Reconstruction Company Ltd (EARC) (Acting as Trustee of EARC Trust) for various group of loans assigned to the above said ARC for repayment of principal dues of Rs.540 Crores as Sustainable Debt over a period of 3 years from the date of signing this settlement letter by disposing of various assets. Out of Unsustainable portion of Rs.423.74 Crores, Rs.100/- Crores shall be converted to 24.99% of Equity shares of the Company. Remaining Unsustainable portion shall be written-off over the period in the same proportion of payment of Sustainable Debt. Marg Ltd has allotted Equity shares 1,26,99,533 nos. equivalent to Rs.78.33 Crores to various Edelweiss Trust on 28th September, 2018 based as a part of condition precedent of settlement plan signed with Edelweiss Asset Reconstruction Company Ltd (EARC). Edelweiss Asset Reconstruction Company Ltd had subsequently withdrawn the settlement plan executed with Marg Ltd on account of non-fulfilment of conditions precedent to the

settlement plan. The Company has yet to execute Master Restructuring Agreement with Edleweiss Asset Reconstruction Company.

4) Note 34(a&b), regarding deductions made/amount withheld by some customers aggregating to Rs.1.06 Crores (PY Rs.1.06Crores) which are being carried as trade receivables. The company is also carrying work-in-progress/inventory of Rs.20.23 Crores (PY Rs.16.67Crores) and assets withheld at site of Rs. 7.03 Crores (PY Rs.1.51Crores) relating to these customers. These balances are subject matter of Arbitration and ultimate outcome of the above matters cannot presently be determined. However, the Company is of the view that such amounts are recoverable and hence no provision is required there against.

5) We draw attention to Note No 34(a&b), regarding uncertainties relating to recoverability of trade receivables overdue for more than one year amounting to Rs. 206.82 Crores which according to the management is fully recoverable. Further the recoverability of trade receivables which are under arbitration amounting to Rs. 27.92 Crores which according to the Management will be awarded fully in Company's favour on the basis of the contractual tenability, progress of arbitration and legal advice. Accordingly, no adjustment has been made in the Ind AS Standalone Financials Statements.

6) Note 30(a&b), ICICI Bank Limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against Marg Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/541/(IB)/2018 dated 28th May, 2019. The NCLT has appointed Mr S. Vasudevan as Interim Resolution Professional (IRP) vide order dated 28/05/2019. Mr S. Vasudevan has assumed the status of Resolution Professional (RP) on said date and issued a public notice. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. During CIRP proceedings, Committee of Creditors was formed. The impugned order dated 28th May 2019 for initiating the 'Corporate Insolvency Resolution Process' is set aside by NCLT along with consequential steps taken on account of 'Terms of Settlement' proposed by the Promoters under Section 12A has been accepted by majority voting of 95.96% of 'Committee of Creditors'. The application filed under Section 7 filed by ICICI Bank is disposed of as withdrawn on 30th September, 2019.

7) Note 33(b), Tata Capital Financial Services limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against one of the Subsidiary Company M/s. Arohi Infrastructure Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March, 2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional (IRP) vide order dated 20/03/2018. Mr S. Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice on 23/03/2018. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. Further the resolution plan could not be submitted within the prescribed time allowed. NCLT has passed an order on 05th December 2018 to liquidate Arohi Infrastructure Private Limited and appointed Mr S. Rajendran as Liquidator. In the absence of information, we are unable to comment on the impact if any, on this investments, Advances given to this subsidiary.

8) Note 31, Phoenix ARC Private Limited, Financial Creditor,

filed a petition u/s 7 of the Insolvency and Bankruptcy Code, 2016 against one of the subsidiary company M/s. New Chennai Township Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/636/IB/CB/2017 dated 5th July, 2019. The NCLT has appointed Mr. L K Sivaramakrishnan as Interim Resolution Professional (IRP) vide order dated 5th July, 2019. Mr. L K Sivaramakrishnan has assumed the status of Interim Resolution Professional (IRP) and issued a public notice on 8th July, 2019. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. In this regard, we are unable to comment on the impact if any, on the investments in, Advances given to this subsidiary.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS standalone financial statements doesn't cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind As and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a Going Concern, disclosing, as applicable, matters related to Going Concern and using the Going Concern basis of accounting unless management either intends to liquidate the company or to cease the operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's standalone financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A', statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations, except for the matters described in the Basis of qualified opinion paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, except for the matters described in the Basis of qualified opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, except for the effect of the matters described in Basis of qualified opinion paragraph above, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) The Going Concern matter described in the paragraph (a), under the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

g) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls as on 31st March, 2019, refer to our separate report in Annexure B.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 (e) and (f), Note 34 and Note 35 to the financial statements;

ii. The Company has made provisions, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.

iii. Rs.5,90,386/- is required to be transferred, to the Investor Education and Protection Fund by the Company and the same is yet to be transferred at the Balance Sheet date.

For A.R.KRISHNAN & ASSOCIATES
Chartered Accountants
Firm's Reg No:009805S

A SENTHIL KUMAR
Partner

Membership No:214611
UDIN:19214611AAAAFK5998
Place :Chennai
Date :30/10/2019.

ANNEXURE-A
TO AUDITORS' REPORT REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF MARG LIMITED:

1) The fixed assets register of the company needs to be updated as on the date of our audit report.

a) The fixed assets were physically verified during the year by the management, as per the programme of physical verification of fixed assets over a period of three years which is, in our opinion, reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us, no serious discrepancies have been noticed on such verification.

b) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of the immovable properties are held in the name of the company. However, the same was offered as collateral for the loan taken by the Company.

2) As explained to us, physical verification of inventory has been conducted by the management, at the end of the year. In our opinion, the frequency of physical verification is reasonable. The material discrepancies noticed on verification have been properly dealt with the books of account.

3) a) The Company has granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. According to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the interests of the company.

b) According to the information and explanations given to us, the principal amount of the loan along with interest in respect of loan granted to the Subsidiary Companies, except three subsidiaries, is repayable on call. The Subsidiaries have made repayments during the year as and when calls were made by the Company. In respect of three subsidiaries, the loan given by the company is sub-ordinated to the secured loans from Banks and Financial Institutions availed by such subsidiaries and accordingly the obligation to repay does not arise during the pendency of said secured loans.

c) There is no overdue amount in respect of such loans granted to such companies.

4) According to the information and explanations given to us, the company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

5) In our opinion and according to the information and explanations given to us, the company has not accepted deposits during the year and doesn't have any unclaimed deposits. Therefore, provisions of clause 3 (v) of the Order are not applicable to the company.

6) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 have been maintained. We have not carried out a detailed examination of such accounts and records, as we are required to conduct only a general review of the cost records.

7) a) According to the information and explanations given to us and as per the records produced by the company, the company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Value added Tax, Service Tax, and other material statutory dues applicable to it.

b) According to the information and explanations given to us and as per the records produced by the company, undisputed amounts payable in respect of Tax deducted at source, Service Tax, Value added Tax and Works Contract Tax, Provident fund & State Insurance and Professional Tax to the extent of Rs.4.11Crores (PY Rs.2.91 crores), Rs.12.14 Crores (PY Rs.7.31 Crores), Rs.1.24 Crores (PY Rs.1.21 Crores), Rs.0.50Crores (PY Rs.0.81 Crores) and Rs.0.18 Crores (PY Rs.0.16 Crores) respectively, were in arrears as at 31st March 2019, for a period of more than six months from the date they became payable.

c) According to the records of the Company and the information and explanation given to us, the dues of Income Tax/Tax deducted at source, which are in dispute, are as follows:-

INCOME TAX:

Asst. Year	Details of Demand				Forum Where Dispute is Pending
	Demand Raised By Dept.	Amount Paid under Protest			
		Till 31st March 2018	During 2018-19	Total	
2009-10	36,00,000	-	-	-	ITAT
2008-09	52,76,990	52,76,990	-	52,76,990	Madras High Court
2009-10	38,96,457	38,96,457	-	38,96,457	Madras High Court
2010-11	1,99,19,645	1,12,52,732	-	1,12,52,732	Madras High Court
2011-12	1,76,92,108	1,76,89,798	-	1,76,89,798	Madras High Court
Total	5,03,85,200	3,81,15,977	-	3,81,15,977	

TAX DEDUCTED AT SOURCE

Asst. Year	Demand	Amount paid under Protest	Forum where Dispute is pending
1996- 97	21,503	4,931	ITO - TDS - 1 (4)
1997- 98	23,68,619	23,17,682	ITO - TDS - 1 (4)
1998- 99	16,28,830	8,42,934	ITO - TDS - 1 (4)
1999- 00	18,57,640	5,81,282	ITO - TDS - 1 (4)
2000- 01	4,42,820	65,440	ITO - TDS - 1 (4)
Total	63,19,412	38,12,269	

8) According to the information and explanations given to us and as per the records produced by the company, the outstanding defaults as on 31st March, 2019 in respect of loans taken from Banks/FIs are as follows:

Bank Name	(Amount inRs. In Crore)	
	Period of default	
	Less than 90 days	More than 90 days
ICICI Bank	-	39.09
Standard Chartered Bank	-	65.07
IFCI Venture Capital Funds Ltd	-	16.76
Srei	-	91.26
SICOM	-	29.48
Loans transferred to ARC*	-	887.98
Total	-	1,129.64

*includes Cash Credit facilities, FITL, WCTL and other Term loans transferred to Asset Reconstruction Companies (ARCs) Refer note 29 to Ind AS financial statements.

9) The company has not raised money by way of public offer during the year under review. In our opinion and according to information and explanations given to us, the term loans have been applied for the purpose for which they were raised.

10) According to the information and explanations given to us and to the best of our knowledge and belief, no material fraud on or by the company has been noticed or reported during the course of audit.

11) The company has not paid or provided for managerial remuneration. Hence clause 3 (xi) of the Order is not applicable to the company.

12) The company is not a Nidhi Company. Hence, clause 3 (xii) of the order is not applicable.

13) All transactions with related parties are in compliance with section 177 and section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

14) The Company has made preferential allotment of equity shares to the Lenders pursuant to restructuring plan executed during the year under review towards conversion of part of their debt into equity shares as stated in Note 16. In respect of the same, in our opinion, the Company has complied with the provision of Section 42 of the Companies Act, 2013 and rules framed thereunder to the extent applicable. Further it is to be noted that no amounts were

raised from the allotment made during the year and that the portion of outstanding loans alongwith accrued interest as per Restructuring plan dated 11th January, 2019 had been converted into Equity Shares.

15) The company has not entered into non-cash transactions with the directors or persons connected with them during the year under review.

16) The company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Hence clause 3(xvi) is not applicable to the company.

For A.R.KRISHNAN & ASSOCIATES
Chartered Accountants

Firm's Reg. No: 009805S

A SENTHIL KUMAR
Partner

Membership No: 214611
UDIN: 19214611AAAAFK5998
Place : Chennai

Date : 30/10/2019

ANNEXURE B**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MARG LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MARG Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable

assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019:

There were delays in

- a) Recording of transactions relating to sale of fixed assets and
- b) Recording of expenses transactions metout of staff Imprest Advances and expenses incurred on behalf of Subsidiary Companies. The Internal Financial Controls were not operating effectively to this extent.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 standalone Ind AS financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone Ind AS financial statements of the Company.

For A.R.KRISHNAN & ASSOCIATES

Chartered Accountants
Firm's Reg. No:009805S

A Senthil Kumar
Partner

Membership No: 214611
UDIN: 19214611AAAAFK5998
Place : Chennai

Date : 30/10/2019

MARG Limited (Standalone)

Balance Sheet as at 31st March 2019

Particulars	Notes	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
I ASSETS			
1 Non-Current Assets			
a. Property, Plant and Equipment	3	34.43	46.77
b. Capital Work In Progress	4	-	-
c. Investment Property	5	20.80	21.33
d. Goodwill		-	-
e. Other Intangible Assets	6	0.16	0.16
f. Intangible Assets under Development		-	-
g. Biological Assets other than Bearer Plants		-	-
h. Financial Assets		-	-
i. Investments	7	568.76	568.77
ii. Trade Receivables		-	-
iii. Loans	8	393.71	1.90
iv. Others(to be specified)	8A	2.22	-
i. Deferred Tax Assets (Net)		-	-
j. Other non-current assets	9	99.19	97.36
		1,119.27	736.29
2 Current assets			
a. Inventories	10	104.13	99.80
b. Financial Assets		-	-
i. Investments		-	-
ii. Trade Receivables	11	384.88	378.12
iii. Cash and Cash Equivalents	12	4.99	51.42
iv. Bank Balances other than iii)	12A	8.45	-
v. Loans	13	245.20	629.99
vi. Others(to be specified)	14	133.99	133.99
c. Current Tax Assets (Net)		-	-
d. Other Current Assets	15	437.00	292.95
		1,318.64	1,586.27
TOTAL ASSETS		2,437.91	2,322.56
II EQUITY AND LIABILITIES			
1 Equity			
a. Equity Share Capital	16	50.82	38.12
b. Other Equity	17	206.01	157.95
		256.83	196.07
2 Non-current Liabilities			
a. Financial Liabilities		-	-
i. Borrowings	18	-	-
ii. Trade Payables		-	-
iii. Other Financial Liabilities	19	-	123.08
b. Provisions	20	0.34	0.57
c. Deferred tax liabilities (net)	21	0.62	0.62
d. Other non-current liabilities	22	297.06	285.60
		298.02	409.87
3 Current Liabilities			
a. Financial Liabilities		-	-
i. Borrowings	23	1,203.82	1,171.98
ii. Trade Payables	24	205.55	215.28
iii. Other Financial Liabilities		1.72	-
b. Other Current Liabilities	25	79.32	82.53
c. Provisions	26	392.65	246.81
d. Current tax Liabilities		-	-
		1,883.06	1,716.60
TOTAL EQUITY AND LIABILITIES		2,437.91	2,322.56
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date attached

For A R Krishnan & Associates
Reg No 0098055
Chartered Accountants
A Senthil Kumar
Partner

M.No. 214611

Place: Chennai

Date : October 30, 2019

For and on behalf of the Board of Directors

GRK Reddy

Chairman & Managing Director

Sreedhar Chella

Director

RB Srinivasan

Chief Financial Officer

Nawal Kishore

Company Secretary

MARG LIMITED (Standalone)
Standalone Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	Year Ended March 31, 2019 (` In Crores)	Year Ended March 31, 2018 (` In Crores)
I. INCOME			
Revenue from Operations	26(a)	18.83	41.38
Other Income	26(b)	3.72	3.90
Total Income		22.55	45.28
II. EXPENSES			
Cost of Materials Consumed	26(C)	14.01	32.50
Employee Benefit Expenses	26(d)	3.49	4.15
Finance Costs	26(e)	0.04	(4.40)
Depreciation and Amortization Expense	(3)(5)(6)	8.24	9.56
Other Expenses	26(f)	14.39	17.41
Total Expenses		40.17	59.22
III. Profit before Exceptional Items and tax (I+II)		-17.62	-13.94
IV. Exceptional Items		-	-
V. Profit(Loss) before tax (III+IV)		(17.62)	(13.94)
VI. Tax Expense			
Current Tax			
Deferred Tax		-	(0.79)
VII. Profit(Loss) for the period (V+VI)		(17.62)	(13.15)
VIII. Other Comprehensive Income		0.04	
A. Items that will not be reclassified to Profit or Loss			
Remeasurement of the defined benefit plans Income		-	0.31
IX. Total Comprehensive Income for the period(XI+XII)		(17.58)	(12.84)
X. Earnings per Equity Shares for continuing operations			
Basic		(3.46)	(3.37)
Diluted		(3.46)	(3.37)

As per our report of even date attached
For A R Krishnan & Associates
 Reg No 009805S
 Chartered Accountants

A Senthil Kumar
 Partner
 M.No. 214611
 Place: Chennai
 Date : October 30, 2019

For and on behalf of the Board of Directors

GRK Reddy
 Chairman & Managing Director

Sreedhar Chella
 Director

RB Srinivasan
 Chief Financial Officer

Nawal Kishore
 Company Secretary

MARG LIMITED (Standalone)
CASH FLOW STATEMENT

S N	Particulars	Year Ended 31-Mar-19 (Rs in Crores)	Year Ended 31-Mar-18 (Rs in Crores)
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net Profit (Loss) before Taxation and Extraordinary Items	(17.58)	(13.94)
	Adjustment for:		
	Depreciation	8.24	9.56
	Net Unrealised (Gain) Loss on Exchange Rate Difference	1.16	0.02
	Net Unrealised Loss (Profit) on Decline in Investments	-	-
	Write off of Capital WIP		12.42
	Remeasurement of the defined benefit plans Income		0.31
	Profit on Sale of Fixed Assets	(0.25)	-
	Loss on Sale of Fixed Assets	4.22	-
	Interest on Income tax refund	(0.88)	-
	Finance Cost (Net)		(6.25)
	Operating Profit (Loss) before Working Capital Changes	(5.09)	2.12
	Decrease (Increase) in Inventories	(4.33)	(2.39)
	Decrease (Increase) in Trade Receivables	(6.76)	6.78
	Decrease (Increase) in Loans (Current Assets)	(6.52)	(24.43)
	Decrease (Increase) in Other Current Assets	6.61	(20.73)
	Decrease (Increase) in Loans (Non Current Assets)	(8.59)	1.48
	Decrease (Increase) in Other (Non Current Assets)	0.07	-
	Increase (Decrease) in Trade Payables	(9.49)	21.05
	Increase (Decrease) in Other Current Liabilities	(3.12)	(2.56)
	Increase (Decrease) in Borrowings and Other Financial liabilities	(12.24)	(19.45)
	Increase (Decrease) in Other Non Current Liabilities	11.47	6.98
	Increase (Decrease) in Short-Term Provisions	(0.02)	15.85
	Increase (Decrease) in Other Long-Term Liabilities		
	Increase (Decrease) in Long-Term Provisions	(0.01)	0.02
	Cash Generated from Operations	(38.02)	(15.70)
	Income Tax	0.88	-
	Cash Flow before Extraordinary Items	(37.14)	(15.70)
	Adjustment for Extraordinary Items	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	(37.14)	(15.70)
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(0.86)	(0.03)
	Investments Made in Subsidiaries	-	-
	Sale of Investments in Subsidiaries	0.0074	-
	Sale of Fixed Assets (Net)	1.29	-
	NET CASH FROM INVESTING ACTIVITIES (B)	0.44	(0.03)
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Proceeds from Long Term Borrowings (Net)	-	-
	Proceed from Short Term Borrowings (Net)	0.96	-
	Finance Cost (Net)	-	6.25
	Dividend & Dividend Tax	-	-
	NET CASH USED IN FINANCING ACTIVITIES (C)	0.96	6.25
	Net Increase in Cash and Cash Equivalents (A+B+C)	(35.76)	(9.48)
	Cash and Cash Equivalents at beginning of Year	51.42	60.90
	Cash and Cash Equivalents at end of Year	15.66	51.42

Notes:

1 Cash Flow Statement is prepared under the Indirect Method in accordance with INDAS

For and on behalf of Board of Directors

As per our Report of even date attached

For **A R KRISHNAN & ASSOCIATES**

Regn No: 0098055

Chartered Accountants

G R K REDDY

Chairman & Managing Director

A.SENTHIL KUMAR

Partner

Membership No: 214611

Sreedhar Chella

Director

R B SRINIVASAN

Chief Financial Officer

Place: Chennai

Date : October 30, 2019

Nawal Kishore

Company Secretary

ACCOUNTING POLICIES

1. Corporate Information

MARG Limited (the Company) was incorporated on December 16, 1994. The registered office of the Company is located at Sri Sai Subhodhaya Apartments ,No.57/2B, East Coast Road, Thiruvanniyur, Chennai-600 041. The Company is mainly engaged in the business of construction and real estate.

2 Significant accounting policies:

2.1 Statement of Compliance

This financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

2.2 Basis of preparation and presentation

This financial statements are prepared in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.3. Revenue Recognition

Construction and Real Estate

In respect of property development and / or Construction contracts, the Company follows percentage completion method as

per Ind AS 11 read with the Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India. The percentage of completion is stated on the basis of physical measurement of work actually completed/ actual cost incurred as compared to total estimated cost, at the balance sheet date, taking into account the contractual price and revision thereto. Losses on contracts are fully accounted for as and when incurred. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional costs / delays are accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client. Project Development Income is the fee charged to the customers on transfer of property in consideration of various services rendered by the Company for promoting the respective projects.

Dividend Income

Dividend income is recognized when the right to receive the payment is established.

Other Income

In respect of other incomes, accrual system of accounting is followed.

2.4 Foreign exchange translation and foreign currency transactions:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to million).

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

The exchange difference on restatement of long term receivables / payables from / to foreign operations that are considered as net investments in such operation are recognised in the statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate.

Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are recognised in other comprehensive income till the disposal of the net investment.

2.5 Borrowing Costs:

Borrowing costs include interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to

and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are included in the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.6. Employee Benefits:

Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense.

Defined Benefit Plans

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Compensated Absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

In respect of employees of overseas branch, end of service benefit is accrued in accordance with the terms of employment. Employees entitlements to annual leave and gratuity are recognized on actual basis and charged to the Statement of Profit and Loss.

2.7 Taxation

Income tax expense represents sum of the tax currently payable and deferred tax.

Current Tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period in the countries where the Company operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all

taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.8 Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment and Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per previous GAAP, accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

2.9 Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment and investment property have been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortised, on straight line method based on the useful life as assessed by the Management. The amortisation period and the amortisation method for an intangible asset is reviewed every year.

2.12 Investment property: Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of Investment property measured as per previous GAAP, accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

2.10 Intangible Assets:

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.11 Inventories:
Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or net realisable value, whichever is lower. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

Work in Progress:

Work-in-Progress is valued at the contracted rates less profit margin / estimates.

Properties Under Development:

Properties under development are valued at cost or net realisable value, whichever is lower. Cost comprises all direct development expenditure, administrative expenses and borrowing costs.

2.12 Investments in Subsidiaries, Associates and Joint ventures:

On initial recognition, these investments are recognised at fair

value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefits is probable.

2.14 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.15 Financial assets
Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to –

1. a) receive Cash / another Financial Asset from another Entity, or

2. b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

2.16 Subsequent measurement of the financial assets
(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments

which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit and loss.

Financial liabilities

Financial liability is Contractual Obligation to

1. a) deliver Cash or another Financial Asset to another Entity, or
2. b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

2.17 Impairment of Assets:

Intangible assets and property, plant and equipment:

Intangible assets and property, plant and equipment are

evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.18 Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.19 Leases:

The Company is obligated under non-cancelable leases for office and residential space that are renewable on a periodic basis at the option of both the lessor and lessee. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Company leases office facilities and residential space/facilities under cancelable operating lease agreements. Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit and loss account.

2.20 Earnings Per Share:

Basic earnings per equity share is computed by dividing the net

profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.21 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.22 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

(i) Revenue recognition: The Company uses the stage of completion method using survey method and /or on completion of physical proportion of the contract work to measure progress towards completion in respect of construction contracts. This method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

ii) Key sources of estimation uncertainty: The following are the key assumptions concerning the future

Inter-company balances

The Company has transactions with its subsidiaries and associates. The financial statements have been prepared on the assumption that the net effect of these transactions will be realised over time.

2.23 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

2.24 Operating cycle:

The Company adopts operating cycle based on the project period and accordingly all project related assets and liabilities are classified

into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

2.25 Recent accounting pronouncements:

Standards issued but not yet effective and not early adopted by the Company:

Ind AS 115, "Revenue from Contracts with Customers"

Ind AS 115 was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018. Based on an initial assessment, the Company is of the opinion that the implementation of Ind AS 115 will not have a significant impact on the financial statements of the Company.

Other amendments:

On March 28, 2018, the MCA, issued certain amendments to Ind AS. The amendments relate to the following standards:

- Ind AS 40, Investment Property
- Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Ind AS 12, Income Taxes
- Ind AS 28, Investments in Associates and Joint Ventures
- Ind AS 112, Disclosure of Interests in Other Entities

These amendments are effective from April 01, 2018. The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

Note 3. Property, Plant and Equipment

₹ in Crores

Particulars	Land	Buildings	Plant and machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block (Cost or deemed cost)								
As at 1st April 2018	-	1.95	78.96	12.47	4.50	7.54	6.88	112.29
Additions	-	-	0.10	-	-	0.02	-	0.13
Disposals	-	-	4.28	9.57	0.16	2.29	-	16.31
As at 31st March 2019	-	1.95	74.79	2.89	4.33	5.26	6.88	96.11
Depreciation and Impairment								
As at 1st April 2018	-	1.95	37.25	9.04	3.87	6.53	6.88	65.52
Depreciation charges for the year	-	-	5.79	0.66	0.29	0.22	0.00	6.97
Disposals	-	-	2.20	6.87	0.16	1.59	-	10.81
Depreciation on addition of assets	-	-	-	-	-	-	-	-
As at 31st March 2019	-	1.95	40.84	2.83	4.01	5.17	6.88	61.67
Net Block								
As at 1st April 2018	-	-	41.71	3.43	0.62	1.00	0.00	46.77
As at 31st March 2019	-	-	33.94	0.07	0.33	0.09	0.00	34.43

Note 4

₹ in Crores

Capital Work in Progress	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
CWIP	12.42	12.42	12.42
Less Provision for Impairment	12.42	12.42	-
Total	-	-	12.42

Note 5. Investment Property

₹ in Crores

Particulars	Land	Buildings	Plant and machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block (Cost or deemed cost)								
As at 1st April 2018	6.36	29.94	5.58	10.81	-	10.99	-	63.68
Additions	-	-	0.74	-	-	-	-	0.74
Disposals	-	-	-	-	-	-	-	-
As at 31st March 2019	6.36	29.94	6.33	10.81	-	10.99	-	64.42
Depreciation and Impairment								
As at 1st April 2018	-	17.12	4.59	9.65	-	10.98	-	42.35
Depreciation charges for the year	-	0.49	0.63	0.15	-	-	-	1.27
Disposals	-	-	-	-	-	-	-	-
Depreciation on addition of assets	-	-	-	-	-	-	-	-
As at 31st March 2019	-	18	5	10	-	11	-	43.62
Net Block								
As at 1st April 2018	6.36	12.82	1.00	1.15	-	0.00	-	21.33
As at 31st March 2019	6.36	12.32	1.11	1.01	-	0.00	-	20.80

6. Intangible Assets

Particulars	Amount	Amount (₹ In Crores)
Gross Block (Cost or deemed cost)		
As at 1st April 2018	38,416,795	3.84
Additions	-	-
Disposals	-	-
As at 31st March 2019	38,416,795	3.84
Amortisation		
As at 1st April 2018	36,858,616	3.69
Depreciation charges for the year	-	-
Disposals	-	-
Depreciation on addition of assets	-	-
As at 31st March 2019	36,858,616	3.69
Net Block		
As at 1st April 2018	1,558,179	0.16
As at 31st March 2019	1,558,179	0.16

7 Non-current Investments

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
i) Investments in Equity Shares		
Quoted		
In Subsidiaries		
In Associates		
Unquoted		
In Subsidiaries		
Marg Aviations Private Limited	0.01	0.01
Amir Constructions Private Limited	0.01	0.01
Anumanthai Beachside Resorts Pvt Ltd	0.01	0.01
Anuttam Con Private Limited	0.01	0.01
Arohi Infrass Private Limited	0.10	0.10
Atul Inrass Private Limited	0.01	0.01
Avatar Con Private Limited	0.01	0.01
Bharani Infrastructure Pvt Ltd	0.01	0.01
Darpan House Private Limited	0.01	0.01
Dasha Infra Private Limited	0.01	0.01
Future Park Private Limited	2.50	2.50
Hilary Con Private Limited	0.01	0.01
Karaikal Port Pvt Ltd	249.79	249.79
Karaikal Power Co Pvt Ltd	0.01	0.01
Kirtidhara Infrastructure Pvt Ltd	0.01	0.01
Marg International Dredging Pte Ltd	57.33	57.33
Marg Logistics Pvt Ltd	0.01	0.01
Marg Swarnabhoomi Port Pvt Ltd	0.01	0.01
Marg Trading Pte Ltd	0.03	0.03
Mukta Infrastructure Pvt Ltd	0.01	0.01
Navrang Infrastructure Pvt Ltd	0.01	0.01
New Chennai township Privated Limited	120.00	120.00
Parivar Apartments Pvt Ltd	0.01	0.01
Riverside Infrastructure (I) Pvt Ltd	136.73	136.73
Shubham Vihar Pvt Ltd	0.01	0.01
Signa Infrastructure India Ltd	0.04	0.04
Swatantra Infrastructure Pvt Ltd	0.01	0.01
Wisdom Constructions Pvt Ltd	0.01	0.01
Yuva Constructions Pvt Ltd	0.01	0.01
Marg Properties Pvt Ltd	0.05	0.05
Marg Infrastructure Developers Ltd	0.05	0.05
Marg Marine Infrastructure Ltd	0.05	0.05
Marg Industrial Clusters Ltd	0.05	0.05
Marg KrishnaDevaraya Airport Pvt Ltd	-	0.01
	566.93	566.94

In Associates		
Rajaka Thurai Fishing Harbour Pvt Ltd	0.00	0.00
(* includes Rs 39000/- as at 31-Mar-2019 and 31-Mar-2018)	0.00	0.00
ii) Investment in Buildings		
Sai Subodhaya Building	0.84	0.84
	0.84	0.84
iii) Investments in Debentures		
Quoted		
Srei Equipment Finance Pvt Ltd	1.00	1.00
Unsecured Subordinated Non Convertible Perpetual Debentures		
[10 units (Previous year 10 units) of Face Value of Rs 1,000,000/- each (Previous year ` 1,000,000/- each)] [Not traded Stated at Cost]		
	1.00	1.00
	568.77	568.78

8 Loans

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
(a) Security Deposits		
(b) Deposits with Statutory bodies	-	1.90
(c) Loans to Related Parties		
Advances to Subsidiaries	393.71	
	393.71	1.90

8A Others

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
Bank Deposits	2.22	-
	2.22	-

9 Other non-current assets

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
(a) Capital Advances	92.36	92.36
(b) Advances other than Capital advances		
Advances to Related parties		
Advances to Subsidiaries	3.81	3.81
Other Advances		
Rental Advances	1.20	1.20
Deposits with Statutory bodies	1.83	
	99.20	97.37

10 Inventories

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
(a) Raw Materials	9.82	10.60
(b) Work-in-progress	94.31	89.20
	104.13	99.80

11 Trade Receivables

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
Secured considered Good		
Unsecured considered Good	384.88	378.12
	384.88	378.12

12 Cash and cash equivalents

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
(i) Balances with Banks(of the nature of cash and cash equivalents)		
Current accounts	4.99	1.91
Current account balances with banks in unpaid dividend account	-	0.09
Current account balances in Escrow account	-	0.04
Bank deposits	-	39.62
as Margin money	-	9.76
(ii) Cash on hand	-	-
	4.99	51.42

12A Bank balances other than above

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
as Margin money	8.45	
	8.45	-

13 Loans

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
(a) Security Deposits		5.03
(b) Loans to Related Parties		
Advances to Subsidiaries	223.73	603.60
(c) Other Loans		
Advances Recoverable-Others	21.16	21.08
Staff Loans & Advances	0.31	0.28
	245.20	629.99

14 Others

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
(a) Security Deposits		
(b) Advances to related parties		
Loan to subsidiaries		
(c) Other advances		
Loans to employees		
Interest accrued on fixed deposits		
Others		
Advance Share Application Money	133.99	133.99
	133.99	133.99

15 Other Current Assets

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
(a) Security Deposits		
(b) Advances to related parties		
Advances to subsidiaries	37.19	37.37
(c) Other advances		
Advances Recoverable-Others	2.52	2.52
Advances to Suppliers	234.16	234.24
Prepaid Expenses	1.28	1.21
Prepaid Taxes	14.67	14.04
Income tax receivable	140.92	
Dividend Receivable	0.60	0.56
Staff Loans & Advances	0.87	0.99
Deposits with Statutory bodies	2.78	
Other advances	2.02	2.02
	437.01	292.95

16. EQUITY
16.1 Authorised, Issued, Subscribed and Paid Up capital:
Authorised Capital

55000000 (March 2018: 50000000) Equity Shares of Rs 10/- each

	As At	As At
	31-Mar-19	31-Mar-18
	Rs In Crores	Rs In Crores

	55.00	50.00
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Issued, Subscribed and Paid up Capital

50818459 (March 2018: 38118926)Equity Shares of Rs 10/- each

	50.82	38.12
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16.2 Reconciliation of number of Equity Shares outstanding:

Shares outstanding at the beginning of the year	38,118,926	38,118,926
Add: Shares Allotted during the year by conversion of portion of debt into Equity	12,699,533	-
Shares outstanding at the end of the year	<u>50,818,459</u>	<u>38,118,926</u>

Shareholders holding more than 5% Equity Shares:

Sl	Name of the Shareholders	As at 31st March 2019		As at 31st March 2018	
		Number	%	Number	%
1	Edelweiss Asset Reconstruction Company Trust	12,699,533	24.99%		
2	Akshya Infrastructure Private Limited	2,374,650	4.67%	2,374,650	6.23%

Note

In its 23 AGM of the Company held on 28 th September 2018, members allowed by Special resolution to convert part of the outstanding loans / financial assistance (including outstanding interest) granted to the Company from time to time into 1,26,99,533 (One Crore Twenty Six Lakh Ninety Nine Thousand Five Hundred Thirty Three) fully paid-up equity shares of face value of Rs. 10/- each at a premium of Rs. 51.68 (Rupee Fifty One and Sixty Eight Paisa) per shares of the Company ("Equity Shares"), aggregating to Rs.78,33,07,195.40 (Seventy Eight Crore Thirty Three Lakh Seven Thousand One Hundred Ninety Five and Forty Paisa) by way of preferential allotment on a private placement basis

2	Name of the Allottees	No. of shares to be allotted
	Edelweiss Asset Reconstruction Company Trust-52	3,603,029
	Edelweiss Asset Reconstruction Company Trust-147	2,154,703
	Edelweiss Asset Reconstruction Company Trust-173	1,270,461
	Edelweiss Asset Reconstruction Company Trust-203	4,156,950
	Edelweiss Asset Reconstruction Company Trust-108	1,143,415
	Edelweiss Asset Reconstruction Company Trust-134	370,975
		12,699,533

- 3 a) Allotment of Equity Shares shall only be made in dematerialized form;
- b) The conversion of debt of the Company into Equity Shares shall be carried out by issuing and allotting to the Lenders, such number of Equity Shares at a price as determined which shall not be less than the face value of the Equity Shares of the Company viz. Rs. 10/- (Rupee Ten only) per Equity Share to ensure that the Lender acquire not less than 24.99% of the total paid-up Equity Share Capital of the Company on fully diluted basis.
- c) The Equity Shares to be issued and allotted to the Lenders shall carry the right to receive dividends and other distributions declared or to be declared, if any, in respect of the paid-up Equity Share Capital of the Company. The said Equity Shares to be allotted to the Lenders shall rank pari-passu in all respects with the existing Equity Shares in the Company and be listed on the stock exchange(s) in India where the existing Equity Shares of the Company are listed.

17. Other Equity
Rs in Crores

Particulars	General Reserve	Profit/Loss	Securities Premium	Total
Balance at the beginning of the period	25.16	(187.10)	319.90	157.95
Additions		(17.57)	65.63	48.06
Balance at the end of the reporting period	25.16	(204.67)	385.53	206.01

18 Non-Current Borrowings

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Secured		
Deposits		
Loans from related parties		
Term Loans-From banks	-	76.81
Term loans-From Others	-	106.88
Others	-	-183.69
	-	-

19 Other Financial Liabilities

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Cash credit	-	122.68
Deposits	-	0.41
Interest accrued and due but not paid	-	-
	-	123.09

20 Provisions (Non Current)

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Provisions for employee benefits		
Gratuity	0.24	0.43
Leave Encashment	0.10	0.15
	0.34	0.58

21 Deferred tax liabilities (Net)

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Liabilities	9.10	9.10
Assets	-8.48	-8.48
	0.62	0.62

22 Other Non-current liabilities

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Advances		
Advances from Customers	118.17	116.69
Others		
Mobilization Deposits	178.89	168.90
	297.06	285.59

23 Current Borrowings

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Secured		
Deposits	16.77	16.76
Loans from related parties	6.83	6.83
Term Loans-From banks	79.68	
Term loans-From Others	864.00	855.17
Other Loans	191.21	65.07
	1,158.49	943.83
Unsecured		
Deposits	13.43	13.49
Loans from related parties	31.54	30.61
Other Loans	0.36	0.37
	45.33	44.47
Others (Secured)	-	183.69
	1,203.82	1,171.99

23.1 Details of securities and other terms and conditions are as under:

Term Loans and other secured loans are Secured by way of charge on rentals, mortgage / Hypothecation of movable and immovable properties.

23.2 Defaults on repayment of short-term loans and interest thereof

Short-term loans of Rs 943.68 Crores were overdue for a period of more than 90 days respectively

24 Trade Payables (Current)

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Micro, Small and Medium Enterprises		
Others	205.55	215.28
	205.55	215.28

24A Other Financial Liabilities (Current)

Particulars	As at March 31, 2019 (In Crores)	As at March 31, 2018 (In Crores)
Interest accrued and due but not paid	1.66	
Unpaid dividends	0.06	
	1.72	-

25 Other current liabilities

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
Revenue received in advance	-56.17	-52.27
Other advances- Bills payable SIDBI	2.09	2.09
Unpaid dividend	-	0.09
Statutory dues	10.06	11.65
Due to Directors	0.20	0.20
Expenses Payable	123.14	120.77
	79.32	82.53

26 Provisions (Current)

Particulars	As at March 31, 2019 (` In Crores)	As at March 31, 2018 (` In Crores)
Provision for Income Tax	118.07	-27.60
Provision for Employee Benefits		
Bonus Payable	0.23	0.23
Gratuity Payable	-	-0.17
Interest Accrued and Due but not Paid	274.35	274.35
	392.65	246.81

26.1 Defaults on repayment of short-term loans and interest thereof

Interest aggregating to Rs 274.34 Crores were overdue for a period of more than 90 days.

26(a) Revenue from Operations

Particulars	Year Ended March 31, 2019 (` In Crores)	Year Ended March 31, 2018 (` In Crores)
Income from Projects	18.67	26.10
Lease Rental Income	0.16	15.27
	18.83	41.37

26(b) Other Income

Particulars	Year Ended March 31, 2019 (` In Crores)	Year Ended March 31, 2018 (` In Crores)
Interest on Income Tax Refund	0.88	1.62
Prior Period income		
Profit on sale of assets	0.25	
Miscellaneous Income	2.59	2.28
	3.72	3.90

26(C) Cost of materials consumed
Changes in inventories of finished goods and work-in- progress

Particulars	Year Ended March 31, 2019 (In Crores)	Year Ended March 31, 2018 (In Crores)
Opening finished goods	10.60	15.42
Opening work-in-progress	89.20	81.98
Adjustments during the year		
Closing finished goods	9.82	10.60
Closing work-in-progress	94.31	89.20
	(4.33)	(2.40)

26(d) Employee benefits expenses

Particulars	Year Ended March 31, 2019 (In Crores)	Year Ended March 31, 2018 (In Crores)
Salaries and wages	3.04	3.67
Contribution to funds	0.26	0.11
Recruitment & Training Expenses		
Staff Welfare expenses	0.19	0.21
Gratuity	-	0.16
	3.49	4.15

26(e) Finance Costs

Particulars	Year Ended March 31, 2019 (In Crores)	Year Ended March 31, 2018 (In Crores)
Interest	0.09	-6.25
Other borrowing costs	-0.05	1.85
	0.04	(4.40)

26(f) Other Expense

Particulars	Year Ended March 31, 2019 (In Crores)	Year Ended March 31, 2018 (In Crores)
Advertisement & Business Promotion	0.04	0.35
Communication Cost	0.15	0.09
Electricity Charges	0.70	0.31
General Expenses	0.03	0.22
Insurance Premium	0.03	0.12
Legal Charges	5.70	1.77
Office Maintenance	0.63	0.69
Postage and Courier Charges	0.02	0.01
Printing & Stationery	0.11	0.10
Rent	0.03	0.07
Repairs & Maintenance	0.07	0.10
Secretarial Expenses	0.23	0.13
Traveling and Conveyance	0.80	0.49
Vehicle Maintenance	0.08	0.05
Donation	0.01	-
IT Services	-	0.02
Rates & Taxes	0.15	0.22
Exchange Rate Fluctuation	1.16	0.02
Sitting Fee for Board Meeting	0.04	0.12
Sitting Fees for Committee Meetings	-	-
Statutory and Other audit fee	0.17	0.11
Loss on sale of asset	4.22	-
CWIP Impairment	-	12.42
	14.37	17.41

Note 27

- a Estimated amount of liability on capital contracts : Rs 3.3 Crores (PY Rs 3.3 Crores)
- b Corporate Guarantees given to Banks in respect of loans taken by other Companies : Rs 3247.67 Crs(PY Rs 3247.67 Crs)
- c Corporate Guarantees given to Banks in respect of performance bank guarantees issued by them : Rs 6.39 Crores (Previous Year Rs 65.89 Crores)

d The company has imported capital goods at concessional rate of customs duty under the Export Promotion Credit Guarantee (EPCG) scheme against submission of bank guarantees. In terms of the scheme, the company is obliged to export goods/services of certain FOB value as specified in the said scheme. As at the year end, the company has the following unfulfilled export obligations under the scheme

(* In Crores)

As At		As At		Due date of Obligation
31-Mar-19		31-Mar-18		
Duty	Export	Duty	Export	
0.14	1.13	0.14	1.13	3-Apr-17
0.12	0.94	0.12	0.94	3-Apr-17
1.73	13.83	1.73	13.83	20-May-18
0.31	2.47	0.31	2.47	20-May-18

e Claims not acknowledged as debts by the Company: Rs 209.99 Crores (Previous year Rs106.11 Crores). The Company is a party to several legal suits on construction contract terms related disputes, pending before various courts in India as well as arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes / litigations until the cases are decided by the appropriate authorities.

f Income Tax Demand
Tax on Income

Assessment Year	Tax Demand	Amount Paid under Protest		Forum Where Dispute is Pending
		Till 31-Mar-19		
2009 - 10	3,600,000			ITAT-chennai
2008 - 09	5,276,990	5,276,990		High Court
2009 - 10	3,896,457	3,896,457		High Court
2010 - 11	19,919,645	11,252,732		High Court
2011 - 12	17,692,108	17,689,798		High Court

Tax Deducted at Source

Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending
		Till 31-Mar-18	During 2018-19	Till 31-Mar-19	
1996 - 97	21,503	4,931	-	4,931	ITO - TDS - 1 (4)
1997 - 98	2,368,619	2,317,682	-	2,317,682	ITO - TDS - 1 (4)
1998 - 99	1,628,830	842,934	-	842,934	ITO - TDS - 1 (4)
1999 - 00	1,857,640	581,282	-	581,282	ITO - TDS - 1 (4)
2000 - 01	442,820	65,440	-	65,440	ITO - TDS - 1 (4)

Note 28

a) The Company did not provided for interest for the year ended 31st March, 2019 on certain loans that are assigned to ARC, the managment states that its negotiating with the ARC for revised terms and conditions and seeking for concession in terms of waiver/reduced rate of interest. Hence, the management is of the opinion considering such concessions it is appropriate not to charge an interest for the year ended 31st March 2019.

b) The company and Edelweiss ARC (EARC) agreed to restructure our debt repayment proposal. As a condition to the proposal, we have allotted Equity Shares on a Preferential allotment/Private placement basis for part debt convert to equity and balance to be realised (as part as sustainable and unsustainable) by liquidating collateral assets offered over the period of time. On getting the revised OTS sanction, definite agreement has to be executed. We have not provided interest on loans assigned to EARC during the Year.

Note 29 BORROWINGS FROM BANKS AND OTHERS:

a) The Cash credit, WCTL, FITL and other facilities provided by the consortium comprising of Indian Bank, Allahabad Bank, Oriental Bank of Commerce and Indian Overseas Bank are transferred to Edelweiss Asset Reconstruction Company Limited (ARC) on various dates. The outstanding balance in respect of these loans as per EARC Sanction amounts to Rs 904.63 Crs as on 31st March, 2019 in respect of these loans are included in 'Current Maturities of long term of borrowings' in Note 23. The company didn't provide for Interest on these loans during the year as explained in Note 28. We have submitted a OTS proposal of Rs 540 Crs to EARC and other loans assigned to EARC under 12 A which is awaiting for acceptance.

b) The South Indian Bank has assigned to EARC and who's outstanding claimed by EARC is Rs 14.51 Crores. The Company did not provide interest during the year as explained in Note 28. For recovery of the Outstanding they have approached multiple Legal forum. However, as we are negotiating for OTS settlement these claims challenged legally may become irrelevant thereupon.

c) State Bank of Mauritius Limited had assigned to the loan to Pegasus Assets Reconstruction Private Limited ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of Rs 20.81 Crores is included in Current Maturities of long term of borrowings in Note 23. The Company did not provide interest during the year as explained in Note 28. Subsequently, the ARC has issued notice under SARFAESI Act.

d) The Term loan sanctioned by Punjab National Bank was assigned to Edelweiss Asset Reconstruction Private Limited (ARC). The outstanding amount as per EARC is Rs 44.61 Crores are included in Current Maturities of long term of borrowings in Note 23. The company didn't provide for Interest on this loan during the year as explained in Note 28.

e) SICOM Limited has given One time sanction for Rs 39.48 Crores of which of Rs 10 Crores settled. Sicom had persued legal steps for recovery of balance amount. Due to real estate market situation , we are finding difficult to liquidate. However, we are confident to settle them at the earliest.

f) IFCI Venture Capital Funds Ltd has recalled the term loan and issued possession notice under SARFAESI Act to the company in respect of outstanding dues, however we have not received

confirmation of balance for Mar 2019. For recovery of the Outstanding they have approached multiple Legal forum. However, as we are negotiating for OTS settlement these claims challenged legally may become irrelevant thereupon.

g) ICICI Bank has filed case with Debts Recovery Tribunal, Chennai in respect of outstanding dues of Rs 56.97 Crores as on 29.02.2016 which was awarded on 23.01.2018 with interest of @ 13.95% p.a with monthly rests till realisation. Based on the DRT award they approached NCLT which was admitted on 28.05.2019. Appellant-Promoter of the 'Corporate Debtor' submitted that the Appellant has settled the matter in terms of Section 12A of the 'I&B Code. NCLAT ordered on 30.09.2019 that application under Section 7 filed by the 'ICICI Bank' is disposed of as withdrawn.

h) SREI has approached Arbitration which is under persual. Their Claim amount is challenged by the company hence the outstanding as per books is only a notional until actual liability ascertained and awarded by the tribunal.

Note 30 PREPARATION OF FINANCIAL STATEMENTS ON 'GOING CONCERN' BASIS:

a) ICICI, Financial Creditor, file a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the company. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/541/(IB)/2018 dated 28th May, 2019. The NCLT has appointed Mr K.Vasudevan as Interim Resolution Professional (IBBI/IPA-001/1P-P00155/2017-18/10324) vide order dated 28/05/2019. The public notice given on 31.05.2019.

b) Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP.

C) The Committee of Creditors (COC) has been Constituted u/s 21 of IBC 2016 and first meeting of the COC is scheduled and held on 19th August, 2019. Appellant-Promoter of the 'Corporate Debtor' submitted that the Appellant has settled the matter in terms of Section 12A of the 'I&B Code'. Committee of Creditors by majority voting share of 95.96% has approved the 'Terms of Settlement' made under Section 12A of the 'I&B Code. ICICI Bank Limited' (Financial Creditor) accepts that by majority voting share of 95.96%, the 'Committee of Creditors' has approved the 'Terms of Settlement' under Section 12A. Therefore, the 'ICICI Bank Limited' has moved the application before the Adjudicating Authority for withdrawal of application filed under Section 7 of the 'I&B Code'. NCLAT allowed the prayer made by 'ICICI Bank Limited' (Applicant of Section 7 of the I&B Code) to withdraw the petition filed under Section 7 of the I&B Code. In the result, the impugned order dated 28th May, 2019 for initiating the 'Corporate Insolvency Resolution Process' is set aside along with consequential steps taken. NCLAT ordered on 30.09.2019 that application under Section 7 filed by the 'ICICI Bank' is disposed of as withdrawn. The 'Corporate Debtor' is released from all rigour of law. The 'Resolution Professional will hand over the assets and documents to the 'Corporate Debtor' through Promoter. The 'Corporate Debtor' is directed to pay the stakeholders/creditors in terms of settlement reached under Section 12A within the period as approved by the 'Committee of Creditors failing which it will be open to the 'ICICI Bank' to file application for recall of this order and revival of 'Corporate Insolvency Resolution Process' against the 'Corporate Debtor'.

d) The Company has recorded a Net loss of Rs 12.85 Crores for the year ended 31st March 2018, Rs 26.89 Crores for the year ended 31st March, 2017, Rs 16.98 Crores for the year ended 31st March, 2016, Rs 172.45 Crores for the year ended 31st March, 2015, Rs 263.82 Crores for the year ended 31st March, 2014 and Rs 36.04 Crores for the year ended 31st March, 2013. The Company has defaulted in the payments due to Banks, Financial Institutions and others towards principal and interest, statutory dues and payment to vendors. Further there were lower cash inflows from existing projects and some creditors have filed winding up petitions against the company. Management is confident that the Company will be able to generate profit and cash in future years and meet its financial obligation as they arise. The financial statements have been prepared on a going concern basis based on cumulative input of the following business potential and mitigating factors:

e) The EPC division of the Company- has local and international bids are being planned leveraging the experience gained through execution of Marine, Infrastructure and Industrial EPC.

f) Many of the EPC loans and corporate loans have been restructured and/or assigned to ARCs. The company intends to approach the ARCs for restructuring of loans by way of OTS settlement. The management is confident that it will help the company to focus on projects in hand and generate cash flows.
Note INVESTMENT AND ADVANCE / RECEIVABLES DUE FROM SUBSIDIARY COMPANIES:

31. The company has invested in equity amounting to Rs 169.18 Crores (PY Rs 169.18 Crores) in New Chennai Township Private Limited, a wholly owned subsidiary as on 31st March, 2019. The Company has advanced an amount of Rs 360.24 Crores (PY Rs 352.58 Crores) as subordinated loan to the subsidiary and Rs 68.96 Crores (Rs 67.40 Crores) is carried forward as receivables as on 31st March, 2019. The said subsidiary has incurred losses which have resulted in negative net-worth as on 31st March, 2019. No Interest is provided during the year on loan receivable from subsidiary. The subsidiary company is exploring possibilities to revive the projects and generate cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2019. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/636/(IB)/CB/2017 dated 05th July, 2019. The NCLT has appointed Mr. L K Sivaramakrishnan, Resolution Professional (IBBI Registration Number IBBI/IPA-001/IP-P00045/2017-18/0119) vide order dated 05/07/2019. The public notice was given. Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP.

32. The company has invested in equity amounting to Rs 136.72 Crores (PY Rs 136.72 Crores) in Riverside infrastructure (India) Private Limited, subsidiary of the company as on 31st March, 2019. The Company has advanced an amount of Rs 45.69 Crores (PY Rs 44.75 Crores) as subordinated loan to the subsidiary and Rs 57.54 Crores (PY Rs 59.74 Crores) is carried forward as receivables as on 31st March, 2019. No Interest is provided during the year on loan receivable from subsidiary. The Mall project of the subsidiary company defaulted in payments of dues to Banks/Financial Institutions towards principal and interest. The subsidiary company continues to discuss with strategic partners and is confident of generating cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered

necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2019.

33(a) The company has invested in equity amounting to Rs 54.05 Crores (PY Rs 54.05 Crores) in Marg Properties Limited, wholly owned subsidiary of the company as on 31st March, 2019. The Company has advanced an amount of Rs 49.25 Crores (PY Rs 42.87 Crores) as loan to the subsidiary and Rs 16.38 Crores (PY Rs 17.06 Crores) is carried forward as receivables as on 31st March, 2019. The subsidiary Company has negative net-worth as on 31st March, 2019. The loans of the company have been assigned to ARCs and the Management is confident that the Company will be able to generate cash from ongoing projects in future years and meet its financial obligation as they arise. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st Mar, 2019.

The Company has invested in equity amounting to Rs 0.24 Crores (PY Rs 0.24 Crores) and an amount of Rs 147.08 Crores (PY Rs 147.08 Crores) is advanced as loan to its subsidiaries/fellow subsidiaries and Rs 4.62 Crores (PY Rs 4.62 Crores) is carried forward as receivables as on 31st March 2019, which have provided land owned by them as security for the loans availed from lenders. No Interest is provided during the year on loan receivable from subsidiary. As the borrowing company defaulted in repayment of such loans, the land owned by these subsidiaries may be attached/sold which may adversely affect the recoverability of the investment/advance. However no such sale has been made by the banks and accordingly, the financial statements of such subsidiaries have been prepared on 'Going concern' basis and management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from these subsidiaries as at 31st March, 2019.

33(b) In Arohi Infrastructure Pvt Limited, OCD Amount of Rs 50 Crores was recalled by Tata Capital Financial Services Ltd. As per 12A proposal we have proposed Rs 35 Crores Settlement Over a period of one year time. (i) Tata Capital limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the company. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March, 2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional vide order dated 20/03/2018. The Corporate Resolution process commenced from 20th March, 2018. Mr S Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice on 23/03/2018. ii) Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP. NCLT Chennai bench in its order dated 05.12.2018 ordering liquidation of Arohi Infrastructure Private Limited.

Note 34

a) The company executed a construction contract at Agra for DG MAP, a project of the Government of India which is terminated during financial year 14-15. The company has receivables of Rs 0.46 crores and work in progress of Rs 13.99 Crores as on 31st March, 2019 relating to this project still continuing. Inventory of materials amounting to Rs 2.01 Crores and plant and machinery amounting to Rs 1.51 Crores as on 31st March, 2019 are withheld at site by the client. The management is confident that it will be able to recover the entire dues out of the arbitration process initiated by the company and that the above amount is considered good and recoverable and hence no

provision is made as on 31st March 2019.

b) (i) The company executed a construction contract at Dwaraka for M/s HSCC (India) Limited, a project of the Government of India, in respect of which the company has receivables of Rs 0.60 Crores and work in progress of Rs 0.67 Crores as on 31st March, 2019. The company has filed arbitration claim and based on the same a sum of Rs 0.40 Crores is written off in books, being the amount not included in claim made. The management is of the opinion that the rest of the amount is considered good and recoverable and hence no provision is made as on 31st March 2019.

b) (ii) The company executed a construction contract for M/s LDA Shristi, a project of the Government of India, in respect of which the company has Net of receivables and work in progress of Rs 3.19 Crores, Inventories Rs 0.37 Crs and P&M 5.52 Crs as on 31st March, 2019.

c) The Work in progress inventory of company as on 31st March, 2019 includes Rs 9.71 Crores in respect of EPC work done by the company to one of its erstwhile subsidiary companies which is unbilled as on 31st March, 2019 and Advances recoverable include management fee of Rs 12.22 Crores charged on the said erstwhile subsidiary company which is not acknowledged by the subsidiary. The management is confident that these amounts are recoverable in the future and hence considers it appropriate to carry forward the amount of Rs 9.71 Crores as work in progress and Rs 12.22 Crores as receivables as on 31st March, 2019.

d) The company executed a construction contract for M/s LDA

Shristi, a project of the Government of India, in respect of which the company has Net of receivables, work in progress of Rs 0.60 Crores as on 31st March, 2019.

Note 35

The company had pledged shares held in Karaikal Port Private Limited (KPPL) for the loan availed by KPPL. The lending Bank invoked the pledge of 202392000 Equity shares in earlier years, having total carrying cost of Rs 202.39 crores as on 31st March, 2019. Edelweiss ARC has restructured KPPL loan whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. As per the EARC, they have been allotted shares for their partial debt outstanding on September, 30 2019 accordingly KPPL is not a subsidiary of Marg Limited.

Note 36

The company could not obtain Balance Confirmation or statement of account from the lenders of certain equipment loans. Hence the reconciliation could not be carried out for the year ended 31st March 2019. The company has not provided for notional interest since April 2017 onwards in spite of several reminders to SREI have not provided the statement of accounts duly signed by their auditor as per their Audited Financial Statements

Note 37

The company could not obtain Balance Confirmation or statement of account of Certain banks current/other accounts maintained with various banks which were NPA hence unable to obtain confirmation of balances.

NOTE 38 (a) : DEFERRED TAX LIABILITY

Particulars	As At 31-Mar-19 (Rs In Crores)	As At 31-Mar-18 (Rs In Crores)
Outstanding Deferred Tax Liability (Asset) [Net] as at the beginning of the year (A)	0.63	1.41
Add: Provision for Current Year Liabilities (Assets)		
Timing difference on account of Depreciation		(0.78)
Sub-total (B)	-	(0.78)
Outstanding Deferred Tax Liability (Asset) [Net] as at the end of the year (A+B)	0.63	0.63

Note 38(b) INFORMATIONS UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act have not been given.

Note 39

In the opinion of the Management, Current Assets, Loans & Advances the same needs to be reinstated in future once settlements with Lenders are met as per their OTS sanction which is expected to get realised out of the collateral offered by various guarantee companies.

NOTE 40 : SEGMENT REPORTING

As per Indian Accounting Standard on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

NOTE 41 : REMUNERATION TO DIRECTORS:

As the company has incurred losses for the Financial Year 2018-19 no remuneration is paid to the Managing Director. (Previous Year NIL).

NOTE 42: EMPLOYEE BENEFITS
A. GRATUITY

- i) The Company does not maintain any fund to pay for Gratuity
 ii) Amount recognised in the Profit and Loss A/c is as under:

Particulars	Year Ended 31-Mar-19 (Rs In Crores)	Year Ended 31-Mar-18 (Rs In Crores)
Current Service Cost	0.03	0.02
Interest Cost	0.02	0.11
Expected Return on Plan Assets	-	-
Net actuarial (Gain) Loss Recognised in the Year	-	-
Transitional Liability Recognised in the Year	-	-
Past Service Cost - Non-vested Benefits	-	-
Past Service Cost - Vested Benefits	-	-
Expenses Recognised in Profit and Loss Account	0.05	0.13

- iii) Movement in the liability recognised in the Balance Sheet during the year:

Particulars	As At 31-Mar-19 (Rs In Crores)	As At 31-Mar-18 (Rs In Crores)
Opening Net Liability	0.23	0.40
Expense as above	0.05	0.13
Transferred to Other Comprehensive Income	(0.04)	(0.31)
Contribution Paid	-	-
Closing Net Liability	0.24	0.23

- iv) Net Assets /Liability in Balance Sheet as at the year end:

Particulars	As At 31-Mar-19 (Rs In Crores)	As At 31-Mar-18 (Rs In Crores)
Present Value of the Obligation	0.24	0.22
Fair Value of Plan Assets	-	-
Difference	0.24	0.22
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non-vested Benefits	-	-
Liability Recognised in the Balance Sheet	0.24	0.22

- v) For determination of gratuity liability of the Company the following actuarial assumption were used:

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
"PRINCIPAL ACTUARIAL ASSUMPTIONS		
[Expressed as weighted averages]"		
Discount Rate	7.65%	7.65%
Salary Escalation Rate	3.00%	3.00%
Attrition Rate	7.00%	7.00%

B. LEAVE ENCASHMENT

- i) The Company does not maintain any fund to pay for leave encashment
 ii) Amount recognised in the Profit and Loss A/c is as under:

Particulars	Year Ended 31-Mar-19 (Rs In Crores)	Year Ended 31-Mar-18 (Rs In Crores)
Current Service Cost*	0.01	-
Interest Cost	0.01	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) Loss Recognised in the Year	-	-
Transitional Liability Recognised in the Year	-	-
Past Service Cost - Non-vested Benefits	-	-
Past Service Cost - Vested Benefits	-	-
Expenses Recognised in Profit and Loss Account	0.02	-
*Fy 16-17 Rs 7,852/-		

- iii) Movement in the liability recognised in Balance Sheet during the year:

Particulars	As At 31-Mar-19 (Rs In Crores)	As At 31-Mar-18 (Rs In Crores)
Opening Net Liability	0.15	0.18
Expense as above	(0.05)	-
Contribution Paid		(0.03)
Closing Net Liability	0.10	0.15

- iv) Net Assets /Liability in Balance Sheet as at the year end:

Particulars	As At 31-Mar-19 (Rs In Crores)	As At 31-Mar-18 (Rs In Crores)
Present Value of the Obligation	0.15	0.15
Fair Value of Plan Assets	-	-
Difference	0.15	0.15
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non-vested Benefits	-	-
Liability Recognised in the Balance Sheet	0.15	0.15

- v) For determination of leave encashment liability of the Company the following actuarial assumptions were used:

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
"PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]"		
Discount Rate	7.23%	7.23%
Salary Escalation Rate	2.00%	2.00%
Attrition Rate	5.00%	5.00%

NOTE 43 : NON-CASH TRANSACTIONS

Bank Guarantees invoked during the year amounting to Rs 56.10 Crores have been included in liability to banks as on 31st March 2019 and treated as Non cash transactions.

NOTE 44: OPERATING LEASES

a) Cancelable Lease:

Total rental charges under cancelable operating lease was Rs 0.065 Crores year ended 31-Mar-19 (Previous year Rs 0.065 Crores).

NOTE 45: AUDITORS' REMUNERATION

Following are the details of Auditors' remuneration:

Particulars	Year Ended 31-Mar-19 (Rs In Crores)	Year Ended 31-Mar-18 (Rs In Crores)
Statutory & Tax Audit Fees	0.08	0.08
Total	0.08	0.08

NOTE 46: EARNINGS PER SHARE (EPS)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
a. Profit After Tax (Rs In Crores)		
For Basic EPS	(17.58)	(12.84)
For Diluted EPS	(17.58)	(12.84)
b. Weighted average number of equity shares (Nos in Lacs)		
For Basic EPS	508.18	381.19
Adjustment for Diluted EPS		
Add: Weighted average number of potential shares on account of Employee Stock Options	-	-
Add: Weighted average number of potential shares on account of Preferential allotment of shares/Warrants	-	-
For Diluted EPS	508.18	381.19
c. Earning Per Share (Rs)		
Basic	(3.46)	(3.37)
Diluted*	(3.46)	(3.37)
d. Nominal Value Per Share (Rs)	10.00	10.00

NOTE 47: INFORMATIONS PERSUANT TO SECTION 129(3) OF COMPANIES ACT 2013:

Information of salient features of financial statements of subsidiaries required under Section 129(3) of the Companies Act, 2013 -(a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investments (except in case of investment in subsidiaries) (f) turnover (g) profit (loss) before taxation (h) provision for taxation (i) profit (loss) after taxation and (j) proposed dividend for each subsidiary is furnished in Annexure B to the accounts.

NOTE 48: INFORMATIONS PERSUANT TO REGULATION 34 (3) OF SEBI(LODR) REGULATION 2015

Disclosure as required by Regulation 34(3) of the SEBI (LODR) regulations 2015 for loans and advances given by the company are given in Annexure A.

NOTE 49: INFORMATIONS PERSUANT TO PART II OF SCHEDULE III OF COMPANIES ACT:

The activities of the company are not capable of being expressed in any generic unit and hence, it is not possible to give the quantitative details required under Paragraphs 3, 4C and 4D of Part II of Schedule III of the Companies Act 2013.

NOTE 50: FOREIGN CURRENCY EXPOSURES

The Company does not use any derivative instruments to hedge its foreign currency exposures.

The details of foreign currency balances which are not hedged as at the balance sheet date are as under:

Particulars	As At 31-Mar-19		As At 31-Mar-18	
	USD in Crores	INR in Crores	USD in Crores	INR in Crores
Creditors for Services	(0.62)	(42.98)	(0.62)	(40.37)
Creditors for Import of Capital Goods	0.04	2.77	0.04	2.83
Loan given to Subsidiary	0.30	20.80	0.30	19.75
Dividend Receivable	0.08	5.55	0.08	0.56
Total	(0.20)	(13.86)	(0.20)	(17.23)

Conversion rate applied:
1 USD= Rs 69.3220 (Previous year Rs 64.9180)

.NOTE 51: PRESENTATION OF PREVIOUS YEAR'S FIGURE

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year figures.

As per our Report of even date attached

For A R KRISHNAN & ASSOCIATES
Regn No: 009805S
Chartered Accountants

A.SENTHILKUMAR
Partner
Membership No: 214611

Place : Chennai
Date : October 30, 2019

For and on behalf of Board of Directors

G R K REDDY
Chairman & Managing Director

Sreedhar Chella
Director

RBSRINIVASAN
Chief Financial Officer

Nawal Kishore
Company Secretary

52 Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company, the company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders or issue of new

The Company's adjusted net debt to equity ratio at March 31, 2018 and March 31, 2017 was as follows

	March 31, 2019	March 31, 2018
Total debt	1,203.82	1,171.98
Less: cash and cash equivalents	15.66	51.42
Adjusted net debt (a)	1,188.16	1,120.57
Total equity	256.83	196.07
Adjusted equity (b)	256.83	196.07
Adjusted net debt to adjusted equity ratio (a/b)	4.63	5.72

Financial instruments - Fair values and risk management
A. Accounting for fair values classifications and measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at March 31, 2019

(Rs. in Crores)

Particulars	Carrying amount		
	FVTPL	Amortised Cost	Total carrying amount
Financial assets			
Investments in Associates	-	-	-
Deposits	-	-	-
Trade receivables	-	384.88	384.88
Cash and cash equivalents	-	4.99	4.99
Loans	-	245.20	245.20
Other financial assets	-	133.99	133.99
	-	769.06	769.06
Financial liabilities			
Secured loans	-	1,158.50	1,158.50
Unsecured loans	-	45.32	45.32
Trade payables	-	205.55	205.55
Other financial liabilities	-	-	-
	-	1,409.37	1,409.37

(Rs. in Crores)

Particulars	Fair Value			Total
	Level 1 (Quoted prices in active markets)	Level 2 (Significant observable inputs)	Level 3 (Significant un observable inputs)	
Financial assets				
Investments in Associates	-	-	-	-
Deposits	-	-	-	-
Trade receivables	-	-	384.88	384.88
Cash and cash equivalents	-	-	-	-
Loans	-	-	245.20	245.20
Other financial assets	-	-	133.99	133.99
	-	-	764.07	764.07
Financial liabilities				
Secured loans	-	-	1,158.50	1,158.50
Unsecured loans	-	-	45.32	45.32
Trade payables	-	-	205.55	205.55
Other financial liabilities	-	-	-	-
	-	-	1,409.37	1,409.37

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

As at March 31, 2018

(Rs. in Crores)

Particulars	Carrying amount		
	FVTPL	Amortised Cost	Total carrying amount
Financial assets			
Investments in Associates	-	-	-
Deposits	-	-	-
Trade receivables	-	378.12	378.12
Cash and cash equivalents	-	51.42	51.42
Loans	-	629.99	629.99
Other financial assets	-	133.99	133.99
	-	1,193.51	1,193.51
Financial liabilities			
Secured Loans	-	943.82	943.82
Unsecured loans	-	44.47	44.47
Trade payables	-	215.28	215.28
Other financial liabilities	-	123.08	123.08
	-	1,326.66	1,326.66

(Rs. in Crores)

Particulars	Fair Value			Total
	Level 1 (Quoted prices in active markets)	Level 2 (Significant observable inputs)	Level 3 (Significant un observable inputs)	
Financial assets				
Investments in Associates	-	-	-	-
Deposits	-	-	-	-
Trade receivables	-	-	378.12	378.12
Cash and cash equivalents	-	-	-	-
Loans	-	-	629.99	629.99
Other financial assets	-	-	133.99	133.99
	-	-	1,142.10	1,142.10
Financial liabilities				
Secured Loans	-	-	943.82	943.82
Unsecured loans	-	-	44.47	44.47
Trade payables	-	-	215.28	215.28
Other financial liabilities	-	-	123.08	123.08
	-	-	1,326.66	1,326.66

The management assessed the financial assets and liabilities measured at amortised cost are approximate to the fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- a) credit risk
- b) liquidity risk
- c) market risk

"The company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance."

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk on trade receivables, is limited as the customers of the company mainly consists of the Government promoted entities having a strong credit worthiness.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

As at March 31, 2019

(Rs. in Crores)

As at March 31, 2019

(Rs. in Crores)

Particulars	Contractual Cash flows				Total
	Carrying Amount	Upto 1 year	1 to 3 Years	More than 3 years	
Non-derivative financial liabilities					
Secured loans	1,158.50	-	1,158.50	Total -	1,158.50
Unsecured loans	45.32	-	13.60	31.73	45.32
Trade payables	205.55	-	205.55	-	205.55
Other financial liabilities	-	-	-	-	-
	1,409.37	-	1,377.64	31.73	1,409.37

As at March 31, 2018

(Rs. in Crores)

Particulars	Contractual Cash flows				Total
	Carrying Amount	Upto 1 year	1 to 3 Years	More than 3 years	
Non-derivative financial liabilities					
Secured loans	943.82	-	943.82	-	943.82
Un Secured loans	44.47	-	44.47	-	44.47
Trade payables	215.28	-	215.28	-	215.28
Other financial liabilities	123.08	-	123.08	-	123.08
	1,326.66	-	1,326.66	-	1,326.66

c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Foreign currency risk

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant variable interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal.

iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

NOTE 53 : RELATED PARTY DISCLOSURES

- A. List of subsidiaries, where control existed during the Period - Annexure A
- B. Associates:
 - Rajakamanglam Thurai Fishing Harbour Private Limited.
- C. Key Management Personnel (KMP)
 - G R K Reddy-Chairman & Managing Director (CMD)
- D. Relative of Key Management Personnel
 - V P Rajini Reddy - Wife of the CMD
- E. Entities over which Company/ KMP and/or their relatives exercise control:
 - 1 Karaikkal Port Private Limited
 - 2 Akshya Infrastructure Private Limited
 - 3 Avinash Constructions Private Limited
 - 4 Exemplarr Worldwide Limited
 - 5 Jeevan Habitat Private Limited
 - 6 Marg Capital Markets Limited
 - 7 Marg Foundation
 - 8 Noble Habitat Private Limited
 - 9 Swarnabhoomi Academic Institutions
- F. Entities over which KMP and/or their relatives exercise significant influence:
 - 1 Global Infoserv Limited
 - 2 Marg Digital Infrastructure Private Limited
 - 3 Marg Project and Infrastructure Limited
 - 4 Marg Realities Limited
- G. Particulars of transactions with the related parties during the period in the ordinary course of the business:

G. Particulars of transactions with the related parties during the period in the ordinary course of the business:

Particulars	Subsidiaries		Step Down Subsidiaries		Associates		KMP and Relatives		Entities over which KMP and Relatives have control / significant	
	Year Ended		Year Ended		Year Ended		Year Ended		Year Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Transactions									
Services rendered										
Lease rental income										
Dividend received										
Interest received		22.45								
Interest Paid										
Contracts and Services received										
Allocation of Common Expenses		0.57								
Contract Advances Received (Net)	(7.50)									
Remuneration, Commission & Sitting Fee							0.02	0.02		
Due on account of Share Invoked							(0.15)	(0.15)	0.45	0.45
Purchase / (Sale) of Fixed Assets										
Sale of Land										
Share Application money given / (refunded)										
Investments made in Equity										
Investments made in CCPS										
Purchase of CCPS Shares										
Sale of Equity Shares										
Equity Investment Sold										
Loans & Advances Made / (Repaid) [Net]	13.49	21.86	1.23	3.20			(0.05)		0.01	
Loans Received / (Repaid) (Net)										
Guarantees and Collaterals issued										
Guarantees and Collaterals received										
Trade Payables	2.74								0.21	
Advance to Supplier									0.07	0.07
	Balances									
	As At		As At		As At		As At		As At	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Investments in Equity ***	317.14	317.14	-	-	-*	-*	-	-	-	-
Investments in CCPS										
Share Application Money	133.99	133.99								
Dividend Receivable	0.54	0.54								
Trade Receivables	173.68	176.90	4.38	4.38					0.03	0.03
Trade Payables	45.95	43.21							0.66	0.45
Loans & Advances Receivable	566.11	552.62	81.53	80.30	1.10	1.10			1.62	1.61
Loans Payable							9.38	9.42	20.70	20.70
Remuneration, Commission & Sitting Fee Payable							2.05	2.05		
Due on account of Share Invoked							6.70	6.70	4.75	4.75
Contract Advances Received (Net)	161.41	168.90								
Guarantees Issued ***	1,185.12	1,185.12							80.00	80.00
Guarantees and Collaterals received	276.51	276.51	145.72	145.72					959.02	959.02
Advance from Customer										
Advance to Suppliers				0.04					0.83	0.83

* includes Rs. 39,000/- in associate

*** includes Investments of Rs. 2.50 Crores and Guarantee Collaterals Issued of Rs 22.00 Crores as on 31st March 2016 in respect of Future Parking Pvt Ltd.

Note: 54

Disclose pursuant to section 186 of the Companies 2013

Rs Crores.

S No	Nature of the transaction (loans given/investment made/guarantee given/security provided)	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	As at 31-03-19	As at 31-03-18
Loan & Advances				
1	Amir Constructions Private Limited	Project Funding/Working Capital	4.76	4.76
2	Anumanthai Beachside Resorts Private Limited	Project Funding/Working Capital	0.01	0.01
3	Anuttam Constructions Private Limited	Project Funding/Working Capital	0.30	0.30
4	Arohi Infrastructure Private Limited	Project Funding/Working Capital	17.13	16.94
5	Atul Infrastructure Private Limited	Project Funding/Working Capital	5.37	5.37
6	Avatar Constructions Private Limited	Project Funding/Working Capital	3.01	3.00
7	Bharani Infrastructure Private Limited	Project Funding/Working Capital	0.58	0.58
8	Darpan Houses Private Limited	Project Funding/Working Capital	2.85	2.85
9	Dasha Infradevelopers Private Limited	Project Funding/Working Capital	10.85	10.85
10	Hilary Constructions Private Limited	Project Funding/Working Capital	0.14	0.14
11	Karaikal Power Company Private Limited	Project Funding/Working Capital	4.37	4.39
12	Kirtidhara Infrastructure Private Limited	Project Funding/Working Capital	0.04	0.04
13	Marg Aviations Private Limited	Project Funding/Working Capital	0.01	0.01
14	Marg Industrial Clusters Limited	Project Funding/Working Capital	(0.05)	(0.05)
15	Marg Infrastructure Developers Limited	Project Funding/Working Capital	0.02	0.24
16	Marg Marine Infrastructure Limited	Project Funding/Working Capital	(0.03)	(0.03)
17	Marg International Dredging PTE Ltd	Project Funding/Working Capital	21.09	19.75
18	Marg Sri Krishnadevaraya Airport Private Limited	Project Funding/Working Capital	2.13	2.13
19	Marg Logistics Private Limited	Project Funding/Working Capital	2.27	4.77
20	Marg Properties Limited	Project Funding/Working Capital	49.26	42.87
21	Marg Swarnabhoomi Port Private Limited	Project Funding/Working Capital	0.02	0.02
22	Marg Trading PTE Ltd	Project Funding/Working Capital	0.08	0.07
23	Mukta Infrastructure Private Limited	Project Funding/Working Capital	18.66	18.84
24	Navrang Infrastructure Private Limited	Project Funding/Working Capital	2.92	2.92
25	New Chennai Township Private Limited	Project Funding/Working Capital	351.81	352.58
26	Parivar Apartments Private Limited	Project Funding/Working Capital	1.39	1.39
27	Riverside Infrastructure (India) Private Limited	Project Funding/Working Capital	41.89	44.75
28	Shubham Vihar Private Limited	Project Funding/Working Capital	3.74	3.74
29	Signa Infrastructure India Limited	Project Funding/Working Capital	0.01	0.01
30	Swatantra Infrastructure Private Limited	Project Funding/Working Capital	9.18	9.18
31	Yuva Constructions Private Limited	Project Funding/Working Capital	0.01	0.01
32	Wisdom Constructions Private Limited	Project Funding/Working Capital	0.00	0.13
	Total		553.83	552.57
Step down Subsidiaries				
1	Aprati Constructions Private Limited	Project Funding/Working Capital	3.75	3.75
2	Aroopa Infradevelopers Private Limited	Project Funding/Working Capital	6.14	6.13
3	Magnumopus Infrastructure Private Limited	Project Funding/Working Capital	21.60	21.60
4	Marg Business Park Private Limited	Project Funding/Working Capital	3.72	3.75
5	O M R Developers Private Limited	Project Funding/Working Capital	9.19	9.68
6	Sarang Infradevelopers Private Limited	Project Funding/Working Capital	29.46	33.56
7	Comex Infrastructure Private Limited	Project Funding/Working Capital	0.15	0.21
8	Kanchanajunga Infradevelopers Private Limited	Project Funding/Working Capital	0.01	0.00
9	Navita Estates Private Limited	Project Funding/Working Capital	0.00	0.00
10	Ambar Nivas Private Limited	Project Funding/Working Capital	0.00	0.00
11	Rainbow Habitat Private Limited	Project Funding/Working Capital	0.00	0.00
12	Darshan Homes Private Limited	Project Funding/Working Capital	1.69	1.69
	Total		75.71	80.39
Name of the Associate Company				
1	Rajakamanglam Thurai Fishing Harbour Private Limited	Project Funding/Working Capital	1.10	1.10
	Total		1.10	1.10
Entities Over Which KMP and / or their relatives exercise control				
1	Marg Foundation	Project Funding/Working Capital	1.38	1.38
	Total		1.38	1.38
Share Application Money				
1	Marg Logistics Private Limited	Capital Contribution	30.81	30.81
2	Marg Properties Limited	Capital Contribution	54.00	54.00
3	New Chennai Township Private Limited	Capital Contribution	49.18	49.18
	Total		133.99	133.99

Note: 54

Disclose pursuant to section 186 of the Companies 2013

Rs Crores.

S No	Nature of the transaction (loans given/investment made/guarantee given/security provided)	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	As at 31-03-19	As at 31-03-18
Investments				
1	Amir Constructions Private Limited	Capital Contribution	0.01	0.01
2	Anumanthai Beachside Resorts Private Limited	Capital Contribution	0.01	0.01
3	Anuttam Constructions Private Limited	Capital Contribution	0.01	0.01
4	Arohi Infrastructure Private Limited	Capital Contribution	0.10	0.10
5	Atul Infrastructure Private Limited	Capital Contribution	0.01	0.01
6	Avatar Constructions Private Limited	Capital Contribution	0.01	0.01
7	Bharani Infrastructure Private Limited	Capital Contribution	0.01	0.01
8	Darpan Houses Private Limited	Capital Contribution	0.01	0.01
9	Dasha Infradevelopers Private Limited	Capital Contribution	0.01	0.01
10	Future Parking Private Limited	Capital Contribution	2.50	2.50
11	Hilary Constructions Private Limited	Capital Contribution	0.01	0.01
12	Karaikal Port Private Limited	Capital Contribution	249.79	249.79
13	Karaikal Power Company Private Limited	Capital Contribution	0.01	0.01
14	Kirtidhara Infrastructure Private Limited	Capital Contribution	0.01	0.01
15	Marg Aviations Private Limited	Capital Contribution	0.01	0.01
16	Marg Industrial Clusters Limited	Capital Contribution	0.05	0.05
17	Marg Infrastructure Developers Limited	Capital Contribution	0.05	0.05
18	Marg Marine Infrastructure Limited	Capital Contribution	0.05	0.05
19	Marg International Dredging PTE Ltd	Capital Contribution	57.33	57.33
20	Marg Sri Krishnadevaraya Airport Private Limited	Capital Contribution	0.0026	0.01
21	Marg Logistics Private Limited	Capital Contribution	0.01	0.01
22	Marg Properties Limited	Capital Contribution	0.05	0.05
23	Marg Swarnabhoomi Port Private Limited	Capital Contribution	0.01	0.01
24	Marg Trading PTE Ltd	Capital Contribution	0.03	0.03
25	Mukta Infrastructure Private Limited	Capital Contribution	0.01	0.01
26	Navrang Infrastructure Private Limited	Capital Contribution	0.01	0.01
27	New Chennai Township Private Limited	Capital Contribution	120.00	120.00
28	Parivar Apartments Private Limited	Capital Contribution	0.01	0.01
29	Riverside Infrastructure (India) Private Limited	Capital Contribution	136.73	136.73
30	Shubham Vihar Private Limited	Capital Contribution	0.01	0.01
31	Signa Infrastructure India Limited	Capital Contribution	0.04	0.04
32	Swatantra Infrastructure Private Limited	Capital Contribution	0.01	0.01
33	Yuva Constructions Private Limited	Capital Contribution	0.01	0.01
34	Wisdom Constructions Private Limited	Capital Contribution	0.01	0.01
Total			566.92	566.93
Name of the Associate Company				
1	Rajakamanglam Thurai Fishing Harbour Private Limited	Capital Contribution	0.00	0.00
Total			0.00	0.00
Investment CCPS				
1	Karaikal Port Private Limited	Capital Contribution	-	-
Total			-	-
Guarantees & Collaterals Issued				
1	Arohi Infrastructure Private Limited	Corporate Guarantee	50.00	50.00
2	Future Parking Private Limited	Corporate Guarantee	22.00	22.00
3	Karaikal Port Private Limited	Corporate Guarantee	1,982.54	1,982.54
4	Marg International Dredging PTE Ltd	Corporate Guarantee	180.84	180.84
5	Marg Logistics Private Limited	Corporate Guarantee	13.00	13.00
6	Marg Properties Limited	Corporate Guarantee	159.50	159.50
7	New Chennai Township Private Limited	Corporate Guarantee	536.78	536.78
8	Riverside Infrastructure (India) Private Limited	Corporate Guarantee	223.01	223.01
Total			3,167.67	3,167.67
Entities Over Which KMP and / or their relatives exercise significant influence				
1	Marg Realities Limited	Corporate Guarantee	80.00	80.00
Total			80.00	80.00

Annexure A
Details of Investments and Disclosure as required by Regulation 34(3) of the SEBI (LODR) regulations 2015

Name of the Subshdary Company	Name of tie Company				investments in Equity			Loans & Advances Given	
	Face Value (Rs)	As At 31-Mar-19 No of Shares (Lacs)	As At 31-Mar-18 No of Shares (Lacs)	As At 31-Mar-19 (Rs in Crores)	As At 31-Mar-18 (Rs in Crores)	As At 31-Mar-19 (Rs in Crores)	Amount Outstanding As At 31-Mar-19 (Rs in Crores)	Maximum Amount Outstanding during the year (Rs in Crores)	
Amir Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.01	4.76	4.76	
Anumantiai Beachside Resorts Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.01	0.01	
Anuttam Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.30	0.30	
Aroii infrastructure Private Limited	10	1.00	1.00	0.10	0.10	0.10	17.13	17.13	
Atul infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.01	5.37	5.37	
Avatar Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.01	3.01	3.01	
Biarani infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.58	0.58	
Darpan ioues Private Limited	10	0.10	0.10	0.01	0.01	0.01	2.85	2.85	
Dasia infradevelopers Private Limited	10	0.10	0.10	0.01	0.01	0.01	10.85	10.85	
Future Parking Private Limited	10	24.99	24.99	2.50	2.50	2.50	-	-	
Hilary Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.14	0.14	
Karaikal Port Private Limited	10	2,497.94	2,497.94	249.79	249.79	249.79	12.23	12.23	
Karaikal Power Company Private Limited	10	0.10	0.10	0.01	0.01	0.01	4.37	4.37	
Kirtidiara infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.04	0.04	
Marg Aviations Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.01	0.01	
Marg industrial Clusters Limited	10	0.50	0.50	0.05	0.05	0.05	(0.05)	(0.05)	
Marg infrastructure Developers Limited	10	0.50	0.50	0.05	0.05	0.05	0.02	0.02	
Marg Marine infrastructure Limited	10	0.50	0.50	0.05	0.05	0.05	(0.03)	(0.03)	
Marg international Dredging PTE Ltd	ShG \$ 1	173.52	173.52	57.33	57.33	57.33	21.09	21.09	
Marg Logistics Private Limited	10	0.10	0.10	0.01	0.01	0.01	2.27	2.27	
Marg Properties Limited	10	0.50	0.50	0.05	0.05	0.05	49.26	49.26	
Marg Swamabhoomi Port Private Limited	10	0.11	0.11	0.01	0.01	0.01	0.02	0.02	
Marg Trading PTE Ltd	ShG \$ 1	0.06	0.06	0.03	0.03	0.03	0.08	0.08	
Mukta infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.01	18.66	18.66	
Navrang infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.01	2.92	2.92	
New Chennai Township Private Limited	10	1,200.00	1,200.00	120.00	120.00	120.00	351.81	351.81	
Parivar Apartments Private Limited	10	0.10	0.10	0.01	0.01	0.01	1.39	1.39	
Riverside infrastructure (india) Private Limited	10	1,367.25	1,367.25	136.73	136.73	136.73	41.89	41.89	

Annexure A
Details of Investments and Disclosure as required by Regulation 34(3) of the SEBI (LODR) regulations 2015

Name of tie Company	investments in Equity					Loans & Advances Given	
	Face Value (Rs)	As At 31-Mar-19 No of Shares (Lacs)	As At 31-Mar-18 No of Shares (Lacs)	As At 31-Mar-19 (Rs in Crores)	As At 31-Mar-18 (Rs in Crores)	Amount Outstanding As At 31-Mar-19 (Rs in Crores)	Maximum Amount Outstanding during the year (Rs in Crores)
Shubham Vihar Private Limited	10	0.10	0.10	0.01	0.01	3.74	3.74
Signa infrastructure india Limited	10	0.37	0.37	0.04	0.04	0.01	0.01
Swatantra infrastructure Private Limited	10	0.10	0.10	0.01	0.01	9.18	9.18
Yuva Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.01
Wisdom Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.00	0.00
Total				566.92	566.92	563.93	563.93
<u>Fellow Subsidiaries / Step down Subsidiaries of Marg Properties Ltd</u>							
Aprati Constructions Private Limited	-	-	-	-	-	3.75	3.75
Aroopa infradevelopers Private Limited	-	-	-	-	-	6.14	6.14
Magnumopus infrastructure Private Limited	-	-	-	-	-	21.60	21.60
Marg Business Park Private Limited	-	-	-	-	-	3.72	3.72
O M R Developers Private Limited	-	-	-	-	-	9.19	9.19
Sarang infradevelopers Private Limited	-	-	-	-	-	29.46	29.46
MARG hotels and Service Apartments Private Limited	-	-	-	-	-	-	-
Total				-	-	73.85	73.85

Annexure A
Details of Investments and Disclosure as required by Regulation 34(3) of the SEBI (LODR) regulations 2015

Name of tie Company	investments in Equity				Loans & Advances Given	
	Face Value (Rs)	As At 31-Mar-19 No of Shares (Lacs)	As At 31-Mar-18 No of Shares (Lacs)	As At 31-Mar-19 (Rs in Crores)	As At 31-Mar-18 (Rs in Crores)	Maximum Amount Outstanding during the year (Rs in Crores)
Fellow Subsidiaries / Step down Subsidiaries of Marg Logistics Pvt Ltd						
Advance infradevelopers Private Limited	-	-	-	-	-	-
Agni infradevelopers Private Limited	-	-	-	-	-	-
Akiil infrastructure Private Limited	-	-	-	-	-	-
Ambar Nivas Private Limited	-	-	-	-	-	0.00
Arciana infradevelopers Private Limited	-	-	-	-	-	-
Asiram infradevelopers Private Limited	-	-	-	-	-	-
Comex infrastructure Private Limited	-	-	-	-	0.15	0.15
Darsian iomes Private Limited	-	-	-	-	1.69	1.69
Guiding infradevelopers Private Limited	-	-	-	-	-	-
Kancianajunga infradevelopers Private Limited	-	-	-	-	0.01	0.00
Navita Estates Private Limited	-	-	-	-	0.00	0.00
Rainbow iabitat Private Limited	-	-	-	-	0.00	0.00
Saptajit Projects Private Limited	-	-	-	-	-	-
Siikia infrastructure Private Limited	-	-	-	-	-	-
Suleki Constructions Private Limited	-	-	-	-	-	-
Talin infradevelopers Private Limited	-	-	-	-	-	-
Uttarak infradevelopers Private Limited	-	-	-	-	-	-
Vyan infraprojects Private Limited	-	-	-	-	-	-
Total					1.86	1.85
Name of tie Associate Company						
Rajakamanglam Tiurai Fisiing iarbour Private Limited		10 0.04	0.04	0.00	1.10	1.10
Total				0.00	1.10	1.10

Annexure A
Details of Investments and Disclosure as required by Regulation 34(3) of the SEBI (LODR) regulations 2015

Name of tie Company	Investments in Equity				Loans & Advances Given		
	Face Value (Rs)	As At 31-Mar-19 No of Shares (Lacs)	As At 31-Mar-18 No of Shares (Lacs)	As At 31-Mar-19 (Rs in Crores)	As At 31-Mar-18 (Rs in Crores)	Amount Outstanding As At 31-Mar-19 (Rs in Crores)	Maximum Amount Outstanding during the year (Rs in Crores)
Name of tie Other Companies							
Marg Digital infrastructure Private Limited	-	-	-	-	-	-	-
Marg Foundation	-	-	-	-	-	1.38	1.38
Marg Digital infrastructure Private Limited	-	-	-	-	-	-	-
Marg Realities Limited	-	-	-	-	-	-	-
Total				-	-	1.38	1.38

*Investments Includes Rs 39,000/- as at 31-Mar-18 & 31-Mar-17

(₹ in lacs)

Annexure B
Statement containing salient features of financial statements of subsidiaries required under Section 129(3) of the Companies Act, 2013

S. No	Name of the Subsidiary Company	Capital	Reserves	Share / Warrant Application Money Pending For Allotment	Total Assets	Total Liabilities	Investments	Turnover *	Profit (Loss) before Taxation	Provision for Taxation	Profit (Loss) After Taxation	Proposed/ Interim Dividend
Subsidiary Company												
1	Amir Constructions Private Limited	1.00	89.51	-	584.91	494.40	-	-	-0.10	-	-0.10	-
2	Anumantai Beachside Resorts Private Limited	1.00	(2.90)	-	0.14	-1.76	-	-	-0.10	-	-0.10	-
3	Anuttam Constructions Private Limited	1.00	272.46	-	1,222.28	948.82	-	-	-0.10	-	-0.10	-
4	Arohi Infrastructure Private Limited	10.00	(2,749.41)	-	5,273.40	2,533.99	5,000.00	-	-89.17	-	-89.17	-
5	Atul Infrastructure Private Limited	1.00	(6.55)	-	535.37	529.82	-	-	-0.16	-	-0.16	-
6	Avatar Constructions Private Limited	1.00	134.59	-	1,234.19	1,098.60	-	-	-0.10	-	-0.10	-
7	Bharani Infrastructure Private Limited	1.00	(8.37)	-	704.43	697.06	-	-	-0.10	-	-0.10	-
8	Darpan Houses Private Limited	1.00	88.28	-	387.26	297.98	-	-	-0.10	-	-0.10	-
9	Dasha InfraDevelopers Private Limited	1.00	(103.59)	-	1,023.91	921.32	-	-	-0.10	-	-0.10	-
10	Future Parking Private Limited	2,590.00	-906.76	-	3,336.29	5,019.53	-	434.61	(235.38)	-	(235.38)	-
11	Hilary Constructions Private Limited	1.00	143.96	-	3,039.92	2,894.96	-	-	-0.10	-	-0.10	-
12	Karaikal Power Company Private Limited	1.00	-139.12	-	310.94	172.82	-	-	-0.19	-	-0.19	-
13	Kirtidhara Infrastructure Private Limited	1.00	353.84	-	813.24	458.40	-	-	-0.20	-	-0.20	-
14	Marg Aviations Private Limited	1.00	-1.35	-	2.78	2.42	-	-	-0.09	-	-0.09	-
15	Marg Industrial Clusters Limited	5.00	-1.12	-	5.34	9.22	-	-	-0.09	-	-0.09	-
16	Marg Infrastructure Developers Limited	5.00	-1.12	-	5.34	9.22	-	-	-0.10	-	-0.10	-
17	Marg Marine Infrastructure Limited	5.00	-0.51	-	7.66	12.14	-	-	-0.10	-	-0.10	-
18	Marg International Dredging PTE Ltd**	5,733.00	-13,895.01	-	13,982.68	5,820.67	-	-	-1,247.10	-	-1,247.10	-
20	Marg Logistics Private Limited	1.00	3,775.52	-	7,983.66	4,207.14	18.00	2,311.61	105.61	-	105.61	-
21	Marg Properties Limited	5.00	-5,483.90	-	34,600.79	29,121.89	7.00	715.15	-139.84	-	-139.84	-
22	Marg Swamabhooni Port Private Limited	1.25	(107.72)	-	6.97	-99.50	-	-	-0.12	-	-0.12	-
23	Marg Trading PTE Ltd**	2.56	-50.74	-	4,995.08	4,946.89	-	-	-6.93	-	-6.93	-
24	Mukta Infrastructure Private Limited	1.00	(808.28)	-	1,168.49	361.21	-	-	-0.10	-	-0.10	-
25	Navrang Infrastructure Private Limited	1.00	(97.06)	-	203.40	107.34	-	-	-0.10	-	-0.10	-
26	New Chennai Township Private Limited	12,000.00	-46,263.40	-	94,566.43	60,303.03	-	87.58	-498.49	-	-498.49	-
27	Parivar Apartments Private Limited	1.00	(47.31)	-	96.86	50.55	-	-	-0.10	-	-0.10	-
28	Riverside Infrastructure (India) Private Limited	16,300.00	1,482.69	-	76,255.77	58,473.09	-	-	-2.37	-	-2.37	-
29	Shubham Vihar Private Limited	1.00	512.33	-	1,165.41	652.08	-	-	-0.10	-	-0.10	-
30	Sigma Infrastructure India Limited	5.00	32.04	-	48.86	11.82	-	-	-0.55	-	-0.55	-
31	Swatantra Infrastructure Private Limited	1.00	634.08	-	1,570.37	935.29	-	-	-0.21	-	-0.21	-

32	Yuva Constructions Private Limited	1.00	21.79	-	25.83	3.04	-	-	-0.27	-
33	Wisdom Constructions Private Limited	1.00	7.39	-	1,588.04	1,579.65	-	-	-0.10	-
Fellow Subsidiaries / Step down Subsidiaries										
1	Aprati Constructions Private Limited	1.00	(141.95)	-	391.01	250.06	-	-	(0.14)	(0.14)
2	Advance Infradevelopers Private Limited	1.00	-39.22	-	403.34	365.13	-	-	-0.23	-0.23
3	Agni Infradevelopers Private Limited	1.00	-50.88	-	517.64	467.76	-	-	-0.23	-0.23
4	Akhal Infrastructure Private Limited	1.00	-158.39	-	1,112.70	955.31	-	-	-0.10	-0.10
5	Ambar Nivas Private Limited	1.00	-78.50	-	539.83	462.33	-	-	-0.09	-0.09
6	Archana Infradevelopers Private Limited	1.00	-49.84	-	516.51	467.68	-	-	-0.16	-0.16
7	Aroopa Infradevelopers Private Limited	1.00	(176.53)	-	450.30	274.77	-	-	-0.47	-0.47
8	Ashram Infradevelopers Private Limited	1.00	-2.43	-	4.72	3.29	-	-	-0.08	-0.08
9	Comex Infrastructure Private Limited	1.00	2.85	-	43.77	39.92	-	-	-0.15	-0.15
10	Darshan Homes Private Limited	1.00	-76.98	-	359.46	283.48	-	-	-0.08	-0.08
11	Guiding Infradevelopers Private Limited	1.00	2.81	-	4.77	0.96	-	-	-0.09	-0.09
12	Kanchanjunga Infradevelopers Private Limited	1.00	(50.50)	-	350.25	300.75	-	-	-0.11	-0.11
13	Magnumopus Infrastructure Private Limited	1.00	-728.20	-	1,604.67	877.48	-	-	-1.65	-1.65
14	Marg Business Park Private Limited	1.00	461.64	-	2,003.84	1,541.21	-	-	-0.10	-0.10
15	MARG Hotels and Service Apartments Private Limited	1.00	-1.63	-	1.03	0.40	-	-	-0.09	-0.09
16	Navita Estates Private Limited	1.00	(261.43)	-	1,723.89	1,463.46	-	-	(0.24)	(0.24)
17	OMR Developers Private Limited	1.00	(342.11)	-	1,209.21	868.10	-	-	-0.11	-0.11
18	Rainbow Habitat Private Limited	1.00	(136.04)	-	940.28	805.24	-	-	-0.08	-0.08
19	Saptajit Projects Private Limited	1.00	-4.51	-	16.36	12.85	-	-	(0.26)	(0.26)
20	Sarang Infradevelopers Private Limited	1.00	(1,022.15)	-	4,410.74	3,389.59	-	-	7.51	7.51
21	Shikha Infrastructure Private Limited	1.00	-2.48	-	4.70	3.22	-	-	-0.08	-0.08
22	Sulekh Constructions Private Limited	1.00	6.35	-	8.13	0.78	-	-	-0.08	-0.08
23	Talin Infradevelopers Private Limited	1.00	-6.54	-	5.13	-0.41	-	-	-0.08	-0.08
24	Uttarak Infradevelopers Private Limited	1.00	-12.88	-	5.35	-6.53	-	-	-0.08	-0.08
25	Vyan Infraprojects Private Limited	1.00	-16.78	-	7.04	-8.74	-	-	-0.08	-0.08

* Turnover includes Other Income

** Unaudited & certified by Management

INDEPENDENT AUDITORS' REPORT

To
The Members of MARG LIMITED,

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of Marg Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at 31st March, 2019, and the consolidated statement of Profit and Loss, (the consolidated statement of changes in equity) and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and its associates, except for the effects of the matter described in the Basis for Qualified Opinion section in our report, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at 31st March, 2019, of consolidated loss, (consolidated changes in equity) and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

1) The Audit report of Marg Limited, Holding company, has been qualified by us as follows;

a) Attention is invited to Note 30; the company has not provided for interest for the year ended 31st March, 2019 on certain loans that are assigned to Asset Reconstruction Companies (ARCs), which in our opinion, the Company has not followed accrual system of accounting and Disclosure of accounting policy is not in accordance with Ind AS 1-Presentation of Financial Statement to this extent. The Company has executed a Restructuring plan with Edelweiss Asset Reconstruction Company Ltd (EARC) for loans assigned to EARC and the same will be finalised only on signing of definitive agreement and fulfilment of conditions precedent in the settlement plan. We are unable to comment upon the settlement of finance cost on the aforesaid loans and carrying value of the aforesaid loans and the consequential impact, if any that may arise on the above said matters.

b) Attention is invited to Note 36; The Company has not provided for Rs.9.71 Crores relating to work in progress for EPC work done which remain unbilled as on 31st March, 2019 and Management fee of Rs.12.22 Crores not acknowledged by one of its erstwhile subsidiary, Karaikal Port Private Limited. Consequently, the loss for the year ended 31st March, 2019 are understated by Rs.21.93 Crores Accumulated Reserves and Current assets as on 31st March, 2019 are overstated by the same amount.

c) Attention is invited to Note 37; regarding invocation of shares held in M/s Karaikal Port Private Limited amounting to Rs. 202.39 Crores as on 31st March, 2019 by the lending banker on account of repayment defaults. Consequently, the percentage of shareholding of Marg Ltd in Karaikal Port Private Limited (KPPL) has reduced to 8.61% as on 31st March 2019. The Lender Bankers has assigned

those loans to Edelweiss ARC (EARC) and EARC has restructured KPPL loan whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. As per the EARC settlement plan, KPPL has allotted further shares for their partial debt outstanding on 30th September 2019. The percentage of shareholding of Marg Ltd in Karaikal Port Private Ltd has further reduced to 7.69% as on 30th September 2019. In lieu of this, KPPL will not be considered as a subsidiary of Marg Limited. We are unable to comment upon the consequential impact, if any that may arise on the above said matters.

d) Attention is invited to Note 38; Regarding confirmation/reconciliation of some of the equipment loans availed by the company, which was not obtained/carried out for the balances as on 31st March, 2019. The differences arising out of the reconciliation, if any, together with the unreconciled amount of Rs. 6.52 Cr relating to the same loan accounts as on 31st March, 2016 continues to be unascertained for the year ended 31st March, 2019. Such differences, if any, will impact the losses for the year ended 31st March, 2019, accumulated revenue reserves and balances of such loan accounts as on 31st March, 2019.

e) Attention is invited to note 39; The Company did not obtain / receive statements, balance confirmation for most of the current and other accounts maintained with various banks. The company's bank accounts were attached by Income Tax Investigation Wing during search conducted at the various premises/sites of the company in Financial Year 2017-2018. The company is in the process lifting the bank attachment. However, debit release approval is obtained from the Income Tax Department for staff salary and other related payments.

f) The company has considered M/s Future Parking Private Limited as its subsidiary and accordingly made disclosures in the Ind AS financial statements for the year ended 31st March, 2019. Due to change in control and management of M/s Future Parking Private Limited the said company ceased to be a subsidiary of the company as per Ind AS 110 regardless of shareholding of 51%, further as per the audited financial statements of M/s Future Parking Private Limited, it has not recognised Marg Limited as its Holding Company as on 31st March, 2019. Hence, in our opinion the disclosures made in Note 54 of the Consolidated Ind AS financial statements are not in accordance with Indian Accounting Standard 24-"Related Party Disclosures" and Schedule III of the Act. The Consolidated Ind AS financial statements include Property, Plant & Equipment of Rs. 30.75 Crores (P.Y Rs. 33.74 Crores), other current assets of Rs. 2.61 Crores (P.Y Rs. 2.28 Crores), Non-Current Liabilities of Rs. 36.09 Crores (P.Y 36.23 Crores), Current Liabilities of Rs. 1.43 Crores (P.Y Rs. 1.51 Crores), Minority Interest of Rs. (2.04) Crores (P.Y Rs. (0.84) Crores) as on 31st March, 2019, Turnover of Rs. 3.19 Crores (P.Y Rs. 3.11 Crores), Net Loss of Rs. 2.45 Crores (P.Y Rs. 2.35 Crores) for the year ended 31st March, 2019 in respect of this company.

g) The Holding company didn't obtain/ receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties for the balances as on 31st March, 2019. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

h) The Company has investment in Karaikal Port Private Limited (unquoted equity shares) with a carrying value at cost of Rs. 249.79 Crores. The Company has not done fair valuation of this investment as required by Ind AS 109 "Financial Instrument". In the absence of fair valuation report, we are unable to comment on the impact if any, on this investment as at March 31, 2019.

2) The Audit report of Mukta Academic Institutions Private Limited,

subsidiary company, has been qualified by us as the company has not provided for impairment loss of Rs.7.70 Crores (PY Rs.7.70 Crores) on land held as on 31st March, 2019, which is not in accordance with Ind AS 36 "Impairment of assets". Consequently, the assets are overstated by Rs.7.70 Crores (PY Rs.7.70 Crores) and loss for the year and the accumulated losses are understated by Rs.7.70 Crores (PY Rs.7.70 Crores) as on 31st March, 2019. This matter was also qualified in our report for the year ended 31st March, 2018.

3) The Audit report of Arohi Infrastructure Private Limited, subsidiary company, has been qualified by us in our report for the year ended 31st March, 2017 as the Company has not provided for premium payable on redemption of debentures accumulated till the year ended 31st March, 2015 amounting to Rs.8.97 Crores and the Company has also not provided for Interest on Rs. 50 Crores Debentures issued to Tata Capital Financial Services Limited for the financial years 2016-2017 and 2017-2018, amounting to Rs. 9.50 Crores which is not in accordance with Ind AS 23 "Borrowing Costs". This resulted in understatement of liabilities and accumulated losses as on 31st March, 2019 by Rs. 18.47 Crores.

4) The Audit report of Riverside Infrastructure (India) Private Limited, Subsidiary Company, has been qualified by us; Attention is invited to Note 40, regarding suspension of project of the company. The company has capitalised interest on loans amounting to Rs. Nil (P.Y Rs. 1.59 Crores) and other expenses of Rs. 0.26 Crores (PY Rs. 0.56 Crores) during the year ended 31st March, 2018, which is not in accordance with Ind AS-23 "Borrowing Costs" and Ind AS-16 "Property Plant and Equipment" respectively. Accordingly, the assets of the company are overstated by Rs 214.45 Crores (PY Rs. 214.19 Crores) as on 31st March, 2019 and loss for the year ended 31st March, 2019 and the accumulated losses are understated by Rs. 0.26 Crores (PY Rs. 2.15 Crores). This matter was also qualified in our report for the year ended 31st March, 2019.

5) Reference is drawn to our remarks in Para (b) under other matters below with respect of non-audit of certain subsidiary companies and associate company. As mentioned below, these financial statements

are unaudited and have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these companies is based solely on such unaudited financial statements. Considering the materiality involved of these financial statements, we are unable to ascertain whether if these financial statements would have been audited, the impact of these financial statements would have materially impacted the consolidated Ind AS financial statements.

6) The audit report of subsidiary companies Marg Properties Limited, Riverside Infrastructure (India) Private Limited, Sarang Infradevelopers Private Limited, Magnumopus Infradevelopers Private Limited is qualified by us. These companies didn't obtain/receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties for the balances as on 31st March, 2019. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

7) Attention is invited to Note 39; The Subsidiary Companies did not obtain / receive statements, balance confirmation for most of the current and other accounts maintained with various banks. The Subsidiary companies bank accounts were attached by Income Tax Investigation Wing during search conducted at the various premises/sites of the Holding company during the financial year 2017-2018. The Subsidiary companies have taken steps to lift the bank attachment.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sl.No	Key Audit Matter	How our audit addressed the key audit matter
1.	<p>Revenue recognition using the "Percentage of Completion Method" and Appropriateness of disclosures of revenue and other related balances in view of the Adoption of Ind AS 115</p> <p>During the year the Group recognised revenue from its construction contracts (Construction Projects) based on the Percentage of Completion (POC Method) method amounting to Rs. 11.00 Crores</p> <p>The POC on construction projects was measured by reference to the surveys of work performance (Output Method).</p> <p>We focused on this area because of the significant management judgement required in:</p> <ul style="list-style-type: none"> The estimation of the physical proportion of the contract work completed for the contracts; and The estimation of the revenue for the work done on the contracts with the customers that could arise from the variations to the original contract terms, and claims. Variable consideration is recognised when the recovery of such consideration is highly possible. <p>Further, Ind AS 115 mandates robust disclosure to be made in the Ind AS financial statements which involves collation of information in respect of disaggregation of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<p>Our procedure included:</p> <ul style="list-style-type: none"> Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness. Verification of Group's year-end internal construction progress reports to validate the percentage of construction work completed and compared with latest certificates issued by the Project owners/project management consultants, as the case may be. Testing a sample of contracts for appropriate identification of performance obligations. For the sample selected, reviewing for the change orders and the management assessment on the estimation of the revenue arising from the variations of the original contract. Evaluated the design of internal controls relating to collation of data required for making disclosures as per Ind AS 115. Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.

Emphasis of Matters

Without qualifying our opinion, we draw attention to the following notes to consolidated Ind AS financial statements:

1. Note 32, regarding preparing Consolidated Ind AS financial statements on 'Going concern' basis. The Consolidated Ind AS financial statements indicates that some of the Subsidiary Companies has accumulated losses and its net worth has been fully eroded, those Subsidiary Companies has incurred a net loss/ net cash loss during the current and previous year(s) and, those Company's Liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 32, indicate the existence of a material uncertainty that may cast significant doubt about those Subsidiary Company's ability to continue as a going concern. The accompanying Consolidated Ind AS financial statements have been prepared on a going concern basis, after giving due considerations to all matters more fully explained in the said note.

2. Note 33, regarding property of the subsidiary companies audited by us, mentioned in the said note, provided as security for various loans taken by other companies. The Ind AS financial statements of those subsidiaries have been prepared on a going concern basis after giving due considerations to matters more fully explained in aforesaid note.

3. Note 34, regarding investments in and advances and receivables due from some of its subsidiaries aggregating to Rs. 1,132.21 Crores (PY Rs.1,145.74 Crores) as on 31st March, 2019. No provision for diminution/recoverability is considered necessary for reasons stated therein.

4. Note 30(b) and 2, The company has signed settlement plan with Edelweiss Asset Reconstruction Company Ltd (ARC) (Acting as Trustee of EARC Trust) for various group of loans assigned to the above said ARC for repayment of principal dues of Rs.540 Crores as Sustainable Debt over a period of 3 years from the date of signing this settlement letter by disposing of various assets. Out of Unsustainable portion of Rs.423.74 Crores, Rs.100/- Crores shall be converted to 24.99% of Equity shares of the Company. Remaining Unsustainable portion shall be written-off over the period in the same proportion of payment of Sustainable Debt. Marg Ltd has allotted Equity shares 1,26,99,533 nos. equivalent to Rs. 78.33 Crores to various Edelweiss Trusts on 28th September, 2018 based as a part of condition precedent of settlement plan signed with Edelweiss Asset Reconstruction Company Ltd (EARC). Edelweiss Asset Reconstruction Company Ltd had subsequently withdrawn the settlement plan executed with Marg Ltd on account of non-fulfilment of conditions precedent to the settlement plan. The Holding Company has yet to execute Master Reconstructing Agreement with Edelweiss Asset Reconstruction Company.

5. Note 41, regarding deductions made/amount withheld by some customers aggregating to Rs.1.06 Crores (PY Rs.1.06 Crores) which are being carried as trade receivables. The company is also carrying work-in-progress/inventory of Rs.20.23 Crores (PY Rs.16.67 Crores) and assets withheld at site of Rs. 7.03 Crores (PY Rs.1.51 Crores) relating to these customers. These balances are subject matter of Arbitration and ultimate outcome of the above matters cannot presently be determined. However, the Company is of the view that such amounts are recoverable and hence no provision is required there against.

6. Note 32(I), ICICI Bank Limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against Marg Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the Holding company under I&B Code 2016 in NCLT Order No. CP/541/(IB)/2018 dated 28th May, 2019. The

NCLT has appointed Mr S. Vasudevan as Interim Resolution Professional (IRP) vide order dated 28th May, 2019. Mr S. Vasudevan has assumed the status of Interim Resolution Professional (IRP) on said date and issued a public notice. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. During CIRP proceedings, Committee of Creditors was formed. The impugned order dated 28th May 2019 for initiating the 'Corporate Insolvency Resolution Process' is set aside by NCLT along with consequential steps taken on account of 'Terms of Settlement' proposed by the Promoters under Section 12A has been accepted by majority voting of 95.96% of 'Committee of Creditors'. The application filed under Section 7 filed by ICICI Bank is disposed of as withdrawn on 30th September, 2019.

7. Note 33(5)(a), Tata Capital Financial Services limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against one of the Subsidiary Company M/s. Arohi Infrastructure Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March, 2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional (IRP) vide order dated 20/03/2018. Mr S. Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice on 23/03/2018. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. Further the resolution plan could not be submitted within the prescribed time allowed. NCLT has passed an order on 05th December 2018 to liquidate Arohi Infrastructure Private Limited and appointed Mr S. Rajendran as Liquidator. In the absence of information, we are unable to comment on the impact if any, on the investments in, advances given to this subsidiary.

8. Note 32(II), Phoenix ARC Private Limited, Financial Creditor, filed a petition u/s 7 of the Insolvency and Bankruptcy Code, 2016 against one of the subsidiary company M/s. New Chennai Township Private Limited. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the said company under I&B Code 2016 in NCLT Order No. CP/636/IB/CB/2017 dated 5th July, 2019. The NCLT has appointed Mr. L K Sivaramakrishnan as Interim Resolution Professional (IRP) vide order dated 5th July, 2019. Mr. L K Sivaramakrishnan has assumed the status of Interim Resolution Professional (IRP) and issued a public notice on 8th July, 2019. Pursuant to Section 17 of the IBC, 2016 the power of Board of directors has been suspended and vested with IRP. In this regard, we are unable to comment on the impact if any, on the investments in, advances given to this subsidiary.

9. Note 32(V), Marg Trading Pte Ltd, the foreign subsidiary of Marg Limited has been deregistered by the Accounting and Corporate Regulatory Authority (ACRA) on account of non-compliance of filing annual returns with ACRA. The Consolidated Ind AS financial statements include Property, Plant & Equipment of Rs. Nil, other current assets of Rs. 49.95 Crores, Non-Current Liabilities of Rs. Nil, Current Liabilities of Rs. 50.43 Crores, Turnover of Rs. Nil, Net Loss of Rs. 0.04 Crores for the year ended 31st March, 2019 in respect of this company. We are unable to comment upon the impact if any, on the investments in, advances given to this subsidiary company.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS financial statements doesn't cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated Ind As financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditors Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters:

a) We did not audit the financial statements / financial information of 3 subsidiaries, whose financial statements reflect total assets (net) of Rs. 24.61 Crores as at 31st March, 2019, total revenues of Rs. 27.46 Crores and net cash flows amounting to Rs. 0.09 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) We did not audit the financial statements / financial information of 4 subsidiaries, whose financial statements reflect total assets (Net) of Rs. (451.66) Crores as at 31st March, 2019, total revenues of Rs. 0.88 Crores and net cash flows amounting to Rs. (0.02) crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are material to the Group.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations, except for the matters described in the Basis of qualified opinion paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, except for the matters described in the Basis of qualified opinion paragraph, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the statement of other comprehensive

income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion section in our report, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) The matters described in paragraph (1) (c) of Basis of Qualified Opinion section and the Going Concern matter described in the paragraph (a), (b) and (c) under the Emphasis of Matters section in our report, in our opinion, may have an adverse effect on the functioning of the Group.

(f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group's subsidiary companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, in the Holding Company along with the Group, refer to our separate report in Annexure A, which is based on the auditor's reports of the Holding Company, subsidiary companies and associate companies incorporated in India.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities— Refer Note 29 (f) and 29 (g), Note 37 and Note 41 to the consolidated financial statements.

ii. The Group has made provisions, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.

iii. Rs. 5,90,386/- is required to be transferred to the Investor Education and Protection Fund by the Holding Company and the same was not yet transferred to Investor Education and Protection Fund at the Balance sheet date. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and associate companies incorporated in India.

For A.R.KRISHNAN & ASSOCIATES
Chartered Accountants

Firm's Reg No: 009805S

A SENTHIL KUMAR
Partner

Membership No: 214611
UDIN: 19214611AAAAFK5998

Place: Chennai
Date: 30/10/2019

ANNEXURE A**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF MARG LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, We have audited the internal financial controls over financial reporting of Marg Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company, its subsidiary companies, and its associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the ICAI) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit of the Holding Company, the following material weaknesses have been identified as at March 31, 2018:

- 1) There were delays in
 - a) Recording of transactions relating to sale of fixed assets and
 - b) Recording of expenses transactions met out of staff Imprest Advances. The Internal Financial Controls were not operating effectively to this extent.

2) As mentioned in para 5 of the Basis of qualified opinion in the main report, with respect to subsidiary companies and associate company incorporated in India that are unaudited as on the date of this report, we are unable to obtain sufficient appropriate evidence to provide a basis for our opinion whether the internal financial controls over financial reporting were adequate and operating effectively as on 31st March, 2018.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For A.R.KRISHNAN & ASSOCIATES

Chartered Accountants
Firm's Reg No:009805S

A SENTHIL KUMAR

Partner
Membership No:214611
UDIN:19214611AAAAFK5998
Place :Chennai
Date :30/10/2019

CONSOLIDATED BALANCE SHEET AS ON 31-MAR-2019

Sl No	Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I	ASSETS			
	Non-Current Assets			
a)	Property, Plant and Equipment	3	159.80	177.74
b)	Capital Work In Progress		754.19	777.70
c)	Other Intangible Assets	4	0.23	0.26
d)	Investment Property	5	342.48	349.51
e)	Financial Assets		-	-
	(i) Investments	6	300.92	301.24
	(ii) Loans	7	12.31	14.10
	(iii) Other financial assets	8	0.12	-
f)	Other non-current assets	9	101.93	100.47
			1,671.98	1,721.02
	Goodwill		16.54	16.54
	Current assets			
a)	Inventories	10	876.80	874.86
b)	Financial Assets		-	-
	(i) Trade Receivables	11	400.00	352.40
	(ii) Cash and Cash Equivalents	12	22.57	56.44
	(iii) Loans	13	-	29.12
c)	Other Current Assets	14	669.07	536.10
			1,968.54	1,848.92
	TOTAL ASSETS		3,657.07	3,586.48
II	EQUITY AND LIABILITIES			
	Equity			
a)	Equity Share Capital		50.82	38.12
b)	Other Equity		(568.00)	-593.13
			(517.18)	(555.01)
	Non Controlling Interest		44.31	45.52
	Non-current Liabilities			
a)	Financial Liabilities			
	(i) Borrowings	15	-	-
	(ii) Other Financial Liabilities	16	35.76	158.95
b)	Provisions	17	1.00	1.23
c)	Deferred tax liabilities (net)	18	18.42	18.44
d)	Other non-current liabilities	19	297.28	285.90
			352.45	464.53
3	Current Liabilities			
a)	Financial Liabilities			
	(i) Borrowings	20	1,196.23	1,345.69
	(ii) Trade Payables	21	309.44	298.04
	(iii) Other Financial Liabilities	22	1,981.71	1,443.07
b)	Other Current Liabilities	23	289.42	295.05
c)	Provisions	24	0.68	249.59
			3,777.48	3,631.44
	TOTAL EQUITY AND LIABILITIES		3,657.07	3,586.48

As per our Report of even date attached
For A R KRISHNAN & ASSOCIATES
 Regn No: 009805S
Chartered Accountants

A.SENTHIL KUMAR
Partner
 Membership No: 214611
 Place : Chennai
 Date : 30-October-19

For and on behalf of Board of Directors

G R K REDDY
Chairman & Managing Director

Sreedhar Challa
Director

R B SRINIVASAN
Chief Financial Officer

Nawal Kishore
 Company Secretary

CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31-MAR-2019

INR in Crs

Sl No	Particulars	Note No.	Year ended March 31,2019	Year ended March 31,2018
I.	INCOME		₹	₹
	Revenue from Operations	25 (A)	46.42	89.06
	Other Income	25(B)	7.25	4.85
	Total Income		53.67	93.91
II.	EXPENSES			
	Cost of Projects / Operating Expenses	26(A)	38.26	76.76
	Changes in Inventory	26(B)	0.00	(2.39)
	Finance Costs	27(A)	2.21	28.46
	Employee Benefit Expenses	27(B)	6.95	8.57
	Depreciation and Amortization Expense		16.58	23.44
	Other Expenses	28	19.65	22.98
	Total Expenses		83.65	157.82
III.	Profit before Exceptional Items and tax (I+II)		(29.99)	(63.91)
IV.	Exceptional Items		0.00	0.00
V.	Profit(Loss) before tax (III+IV)		(29.99)	(63.91)
VI.	Tax Expense			
	Current Tax		0.35	0.34
	Deferred Tax		1.41	0.70
VII.	Profit(Loss) for the period (V+VI)		(31.74)	(64.94)
VIII.	Other Comprehensive Income			
A.	Items that will not be reclassified to Profit or Loss		0.00	0.00
	Foreign currency translation reserve		(7.46)	5.25
IX.	Total Comprehensive Income for the period		(39.20)	(59.69)
	Profit attributable to			
	Owners of the company		(30.53)	(63.78)
	Non-controlling interests		(1.21)	(1.16)
	Total comprehensive income attributable to			
	Owners of the company		(39.20)	(59.69)
	Non-controlling interests		-	-
	Earnings per Equity Share			
	Basic		(7.71)	(15.66)
	Diluted		(7.71)	(15.66)

As per our Report of even date attached

For A R KRISHNAN & ASSOCIATES
Regn No: 009805S
Chartered Accountants
A.SENTHIL KUMAR
Partner

Membership No: 214611

Place : Chennai

Date : 30-October-19

For and on behalf of Board of Directors

G R K REDDY
Chairman & Managing Director
Sreedhar Challa
Director
R B SRINIVASAN
Chief Financial Officer
Nawal Kishore
Company Secretary

CASH FLOW STATEMENT

S No	Particulars	Year Ended 31-Mar-2019 (Rs in Crores)	Year Ended 31-Mar-2018 (Rs in Crores)
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net Profit (Loss) before Taxation and Extraordinary Item	(31.74)	(63.90)
	Adjustment for:		
	Depreciation	16.58	23.44
	Net Unrealised (Gain) Loss on Exchange Rate Fluctuations	1.16	0.02
	Profit on Sale of Assets	1.17	-
	Transfer to Minority Interest	(1.21)	-
	Capital WIP Impairment	-	12.42
	Loss on Sale of Assets	4.24	-
	Finance Cost (Net)	2.21	26.60
	Operating Profit before Working Capital Changes	(7.58)	(1.42)
	Decrease (Increase) in Inventories	(1.94)	158.78
	Decrease (Increase) in Trade Receivables	(47.60)	27.59
	Decrease (Increase) in Other Non-current Assets	(1.46)	91.26
	Decrease (Increase) in Investments	0.32	299.40
	Decrease (Increase) in Other Assets	-	349.82
	Decrease (Increase) in Short-term Loans & Advances	(103.85)	(923.94)
	Decrease (Increase) in Long-term Loans and Other Current Assets	1.68	(12.56)
	Decrease (Increase) in Other Current Assets	90.15	(57.37)
	Increase (Decrease) in OtherEquities and OCI	-	-
	Increase (Decrease) in Trade Payables	11.41	43.83
	Increase (Decrease) in OtherLiabilities and borrowings	383.54	152.73
	Increase (Decrease) in Provisions	(248.90)	(236.07)
	Increase (Decrease) in Other Long-term Liabilities	(112.08)	-
	Increase (Decrease) in Long-term Provisions	-	0.84
	Cash Generated from Operations	(36.32)	(107.11)
	Income Tax	0.35	-
	Cash Flow before Extraordinary items	(35.97)	(107.11)
	Adjustment for Extraordinary Items	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	(35.97)	(107.11)
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	-	(0.35)
	Sale of Investments in Subsidiaries and Others	-	-
	Proceeds from Sale of Fixed Assets (Net)	-	-
	NET CASH FROM INVESTING ACTIVITIES (B)	-	(0.35)
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Proceeds from Issue of Shares	-	-
	Proceeds from Long Term Borrowings (Net)	-	-
	Proceeds from Short Term Borrowings (Net)	-	-
	Finance Cost Paid (Net)	2.21	(1.86)
	Dividend & Dividend Tax Paid	-	-
	NET CASH USED IN FINANCING ACTIVITIES (C)	2.21	(1.86)
	Net Increase in Cash and Cash Equivalents (A+B+C)	(33.77)	(109.32)
	Cash and Cash Equivalents at beginning of Year	56.44	165.76
	Cash and Cash Equivalents at end of Year	22.67	56.44

Note:

- 1 Cash Flow Statement is prepared under the Indirect Method .
- 2 Depreciation includes amount transferred to 'Cost of Projects'.
- 3 Cash and cash equivalents not available for immediate use as on the Balance Sheet date are shown in Note 12 of Notes to the Financial Statements.

As per our Report of even date attached
For A R KRISHNAN & ASSOCIATES
Regn No: 009805S
Chartered Accountants

A.SENTHIL KUMAR
Partner
Membership No: 214611
Place : Chennai
Date : 30-October-19

For and on behalf of Board of Directors

G R K REDDY
Chairman & Managing Director

Sreedhar Challa
Director

R B SRINIVASAN
Chief Financial Officer

Nawal Kishore
Company Secretary

ACCOUNTING POLICIES

1 Corporate Information

MARG Limited (the Company) was incorporated on December 16, 1994. The registered office of the Company is located at Sri Sai Subhodhaya Apartments ,No.57/2B, East Coast Road, Thiruvanmiyur, Chennai- 600 041. The Company is mainly engaged in the business of construction and real estate.

2 Significant accounting policies:

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

2.2 Basis of preparation and presentation

These consolidated financial statements are prepared in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as a net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3 Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and entities controlled by the parent Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceased to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Principles of Consolidation:

The consolidated financial statements have been prepared on the following basis:

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- i) The amount of equity attributable to Non- controlling holders at the date on which investment in a subsidiary is made; and
- ii) The Non-controlling holders share of movements in the equity since the date the parent subsidiary relationship came into existence.

The Group consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 54. Subsidiaries are consolidated from the date control commences until the date control ceases. Subsidiaries companies are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses on intra-group transactions as per Indian Accounting Standard 110.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement, have rights to the net assets of

the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investments in Joint Venture are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in joint venture includes goodwill identified on acquisition.

The financial statements of the Subsidiaries, Joint ventures and the Associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2018 except one associate.

The excess of cost to the Group, of its investment in the subsidiaries over the Group's share of equity is recognised in the consolidated financial statements as Goodwill and tested for impairment annually.

Non-controlling interests in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet under the Total Equity group.

The consolidated financial statements have been prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to extent possible, in the same manner as the Company's separate financial statements.

The Subsidiaries and Associate Companies are considered for consolidated financial statements are given in Note No. 54

2.3. Revenue Recognition

Construction and Real Estate

In respect of property development and / or Construction contracts, the Company follows percentage completion method as per Ind AS 11 read with the Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India. The percentage of completion is stated on the basis of physical measurement of work actually completed/ actual cost incurred as compared to total estimated cost, at the balance sheet date, taking into account the contractual price and revision thereto. Losses on contracts are fully accounted for as and when incurred. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional costs / delays are accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client. Project Development Income is the fee charged to the customers on transfer of property in consideration of various services rendered by the Company for promoting the respective projects.

Dividend Income

Dividend income is recognized when the right to receive the payment is established.

Other Income

In respect of other incomes, accrual system of accounting is followed.

2.4 Foreign exchange translation and foreign currency transactions:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to million).

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

The exchange difference on restatement of long term receivables / payables from / to foreign operations that are considered as net investments in such operation are recognised in the statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate.

Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are recognised in other comprehensive income till the disposal of the net investment.

2.5 Borrowing Costs:

Borrowing costs include interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are included in the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.6. Employee Benefits:

Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense.

Defined Benefit Plans

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to

profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Compensated Absences

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognized in the Statement of Profit and Loss.

In respect of employees of overseas branch, end of service benefit is accrued in accordance with the terms of employment. Employees entitlements to annual leave and gratuity are recognized on actual basis and charged to the Statement of Profit and Loss.

2.7 Taxation

Income tax expense represents sum of the tax currently payable and deferred tax.

Current Tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income- tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period in the countries where the Company operates and generates taxable income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.8. Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment and Cost of major inspections is recognised in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognised. For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per previous GAAP, accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

2.9. Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on Property, Plant and equipment and investment property have been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortised, on straight line method based on the useful life as assessed by the Management. The amortisation period and the amortisation method for an intangible asset is reviewed every year.

2.12 Investment property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of Investment property measured as

per previous GAAP, accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

2.10 Intangible Assets:

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.11 Inventories:

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or net realisable value, whichever is lower. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

Work in Progress:

Work-in-Progress is valued at the contracted rates less profit margin / estimates.

Properties Under Development:

Properties under development are valued at cost or net realisable value, whichever is lower. Cost comprises all direct development expenditure, administrative expenses and borrowing costs.

2.12 Investments in Subsidiaries, Associates and Joint ventures:

On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

2.13 Provisions, Contingent Liabilities and Contingent Assets :

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed in the financial statements when flow of economic benefits is probable.

2.14 Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

2.15 Financial assets

Financial asset is

1. Cash / Equity Instrument of another Entity,
2. Contractual right to –
 1. a) receive Cash / another Financial Asset from another Entity, or
 2. b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially favourable to the Entity.

2.16 Subsequent measurement of the financial assets

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit and loss.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit and loss.

Financial liabilities

Financial liability is Contractual Obligation to

1. a) deliver Cash or another Financial Asset to another Entity, or
2. b) exchange Financial Assets or Financial Liabilities with another Entity under conditions that are potentially unfavourable to the Entity.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement of the financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

2.17 Impairment of Assets:

Intangible assets and property, plant and equipment:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.18 Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.19 Leases :

The Company is obligated under non-cancelable leases for office and residential space that are renewable on a periodic basis at the option of both the lessor and lessee. Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

The Company leases office facilities and residential space/facilities under cancelable operating lease agreements. Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit and loss account.

2.20 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.21 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.22 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

- (i) Revenue recognition: The Company uses the stage of completion method using survey method and /or on completion of physical proportion of the contract work to measure progress towards completion in respect of construction contracts. This method is followed when reasonably dependable estimates of costs

applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

ii) Key sources of estimation uncertainty: The following are the key assumptions concerning the future

Inter-company balances

The Company has transactions with its subsidiaries and associates. The financial statements have been prepared on the assumption that the net effect of these transactions will be realised over time.

2.23 Exceptional Items:

Exceptional Items represents the nature of transactions which are not in recurring nature during the ordinary course of business but lead to increase / decrease in profit / loss for the year.

2.24 Operating cycle:

The Company adopts operating cycle based on the project period and accordingly all project related assets and liabilities are classified into current and non current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

2.25 Recent accounting pronouncements:

Standards issued but not yet effective and not early adopted by the Company:

Ind AS 115, "Revenue from Contracts with Customers"

Ind AS 115 was notified on March 28, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 01, 2018. Based on an initial assessment, the Company is of the opinion that the implementation of Ind AS 115 will not have a significant impact on the financial statements of the Company.

Other amendments:

On March 28, 2018, the MCA, issued certain amendments to Ind AS. The amendments relate to the following standards:

- Ind AS 40, Investment Property
- Ind AS 21, The Effects of Changes in Foreign Exchange Rates
- Ind AS 12, Income Taxes
- Ind AS 28, Investments in Associates and Joint Ventures
- Ind AS 112, Disclosure of Interests in Other Entities

These amendments are effective from April 01, 2018. The Company believes that the aforementioned amendments will not materially impact the financial statements of the Company.

STATEMENT OF CHANGES IN EQUITY

Equity Share Capital	Authorised		Issued and Subscribed	
	Authorised Equity Number of Shares	Amount	Number of Shares	Amount
Description				
Balance as at March 31, 2017	50,000,000	500,000,000	38,118,926	381,189,260
Add: Equity shares allotted during the year				
Balance as at March 31, 2018	50,000,000	500,000,000	38,118,926	381,189,260
Add: Equity shares allotted during the year			12,699,533	126,995,330
Balance as at March 31, 2019	50,000,000	500,000,000	50,818,459	508,184,590

Name of the Shareholders

Name of the Shareholders	As at 31st March 2019		As at 31st March 2018	
	Number	%	Number	%
1. Edelweiss Asset Reconstruction Company Trust	12,699,533	24.99%		
2. Akshya Infrastructure Private Limited	2,374,650	4.67%	2,374,650	6.23%

Note

1) In its 23 AGM of the Company held on 28th September 2018, members allowed by Special resolution to convert part of the outstanding loans / financial assistance (including outstanding interest) granted to the Company from time to time into 1,26,99,533 (One Crore Twenty Six Lakh Ninety Nine Thousand Five Hundred Thirty Three) fully paid-up equity shares of face value of Rs. 10/- each at a premium of Rs. 51.68 (Rupee Fifty One and Sixty Eight Paise) per shares of the Company ("Equity Shares"), aggregating to Rs.78,33,07,195.40 (Seventy Eight Crore Thirty Three Lakh Seven Thousand One Hundred Ninety Five and Forty Paise) by way of preferential allotment on a private placement basis

2. Name of the Allottees

Name of the Allottees	No. of shares to be allotted
Edelweiss Asset Reconstruction Company Trust-52	3,603,029
Edelweiss Asset Reconstruction Company Trust-147	2,154,703
Edelweiss Asset Reconstruction Company Trust-173	1,270,461
Edelweiss Asset Reconstruction Company Trust-203	4,156,950
Edelweiss Asset Reconstruction Company Trust-108	1,143,415
Edelweiss Asset Reconstruction Company Trust-134	370,975
	12,699,533

3 a) Allotment of Equity Shares shall only be made in dematerialized form;

3 b) The conversion of debt of the Company into Equity Shares shall be carried out by issuing and allotting to the Lenders, such number of Equity Shares at a price as determined which shall not be less than the face value of the Equity Shares of the Company viz. Rs. 10/- (Rupees Ten only) per Equity Share to ensure that the Lender acquire not less than 24.99% of the total paid-up Equity Share Capital of the Company on fully diluted basis.

3 c) The Equity Shares to be issued and allotted to the Lenders shall carry the right to receive dividends and other distributions declared or to be declared, if any, in respect of the paid-up Equity Share Capital of the Company. The said Equity Shares to be allotted to the Lenders shall rank pari-passu in all respects with the existing Equity Shares in the Company and be listed on the stock exchange(s) in India where the existing Equity Shares of the Company are listed.

Other Equity	₹ In Crs				
Description	Retained Earnings	General Reserve	Security Premium	Other Comprehensive	Total
Balance as at March 31, 2018	(940.69)	28.69	314.81	3.97	(593.13)
Allotment of Shares at premium			65.63		65.63
Adjustment due to loss of control*					-
Profit for the year	(31.74)				(31.74)
Remeasurements of the defined benefit plans					-
Dividends					-
Transfer to retained earnings					-
Transfer to OCI	-	-	-	(7.46)	(7.46)
Transfer to minority interest*	(1.21)	-	-	-	(1.21)
Adjustment in minority interest pertaining to previous years					-
Balance as at March 31, 2019	(973.64)	28.69	380.44	(3.49)	(568.00)

Note 3. Property, Plant and Equipment

` in Crores

Particulars	Land	Buildings	Plant and machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Block (Cost or deemed cost)								
As at 1st April 2018	3.35	16.08	198.60	17.70	9.99	10.73	7.91	264.36
Additions	-	-	0.11	-	-	0.02	-	0.13
Disposals	-	-	6.41	9.57	2.39	2.29	-	20.66
As at 31st March 2019	3.35	16.08	192.30	8.13	7.60	8.46	7.91	243.83
Depreciation and Impairment								
As at 1st April 2018	-	4.40	43.50	12.57	9.15	8.27	7.85	85.74
Depreciation charges for the year	-	1.01	9.19	1.18	0.51	0.53	0.01	12.43
Disposals	-	-	3.29	6.87	2.38	1.59	-	14.13
Depreciation on addition of assets	-	-	-	-	-	-	-	-
As at 31st March 2019	-	5.41	49.40	6.88	7.28	7.21	7.86	84.04
Net Block								
As at 1st April 2018	3.35	11.68	155.10	5.13	0.84	2.46	0.06	178.62
As at 31st March 2019	3.35	10.67	142.90	1.25	0.32	1.25	0.05	159.79

` in Crores

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Work in progress	754.19	755.46

Note 5. Other Intangible Assets
in Crores

Particulars	Computer Software
Gross Block (Cost or deemed cost)	
As at 1st April 2018	4.27
Additions	-
Disposals	-
As at 31st March 2019	4.27
Depreciation and Impairment	
As at 1st April 2018	4.00
Depreciation charges for the year	0.03
Disposals	-
As at 31st March 2019	4.03
Net Block	
As at 1st April 2018	0.27
As at 31st March 2019	0.24

6 Non-current Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investments in Equity Shares		
Unquoted	299.09	299.41
	-	-
Investment in Sai Subhodaya Building	0.84	0.84
Srei Equ Fin Private Limited	1.00	1.00
Unsecured Subordinated Non-convertible Perpetual Debentures[10 units (Previous year 10 units) of Face Value of Rs 1,000,000/- each	-	-
Total	300.92	301.24

7 Non-Current Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	12.31	14.10
Total	12.31	14.10

8 Others financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits	0.12	4.08
Total	0.12	4.08

9 Other non-current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	94.52	94.51
Advances to Subsidiaries	3.81	3.81
Other Advances	0.06	0.01
Rental Advances	1.20	1.20
Security Deposits	-	0.36
Fixed Deposits with Bank	-	-
Deposits with Statutory bodies	1.83	0.58
Prepaid Taxes	0.52	-
Total	101.93	100.47

10 Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials	-	-
Work-in-progress	876.80	874.86
Total	876.80	874.86

11 Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured and considered good		
Outstanding for more than 6 months	-	-
Others	400.00	352.40
Doubtful	-	-
Outstanding for more than 6 months	-	-
Less: Provision for Bad Debts	-	-
Total	400.00	352.40

12 Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks(of the nature of cash and cash equivalents)		
Current accounts	9.67	4.24
Current account balances with banks in unpaid dividend account	-	0.09
Current account balances in Escrow account	-	0.04
Bank deposits	4.48	41.83
as Margin money	8.45	10.17
Cash on hand	0.07	0.07
Total	22.67	56.44

13 Loans

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits	-	5.03
Advance to subsidiaries	-	-
Security Deposits	-	0.14
Advances recoverable-Others	-	23.70
Staff loans	-	0.21
Prepaid Expenses	-	0.04
Total	-	29.12

14 Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits	0.18	-
Capital Advance	0.02	0.35
Interest Receivable	-	0.18
Advances to related parties	68.59	
Advances Recoverable-Others	36.03	6.62
Advances to Suppliers	487.86	473.42
Prepaid Expenses	1.65	1.60
Prepaid Taxes	33.61	39.98
Income tax receivable	21.99	1.21
Dividend Receivable	0.60	0.56
Staff Loans & Advances	1.42	1.95
Deposits with Statutory bodies	5.81	0.05
Other	11.41	10.17
Less: Provision for Bad and Doubtful Debts	-0.12	-
Total	669.07	536.09

15 Non-Current Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Secured Long Term Borrowings	-	
Term Loans(Secured)	-	
From banks	-	
Secured by way of charge on rentals, mortgage / hypothecation of movable & immovable properties*	-	-
Total	-	-

*Classified as Borrowing in Other financial liabilities Note No 21 and 23

16 Other Financial Liabilities(Non current)

Particulars	As at March 31, 2019	As at March 31, 2018
Cash credit	-	122.68
Deposits	-	0.41
Interest accrued and due but not paid	-	-
Lease Deposit Liability (Present value)	10.59	9.59
Deferred Rent	4.16	5.27
9% non-cumulative redeemable preference shares face value of Rs.100/- each (31.03.2016 : 1% non-cumulative redeemable preference shares face value of Rs.100/- each)		21.00
[Refer Note (a) below]	21.00	
Total	35.76	158.95

17 Provisions (Non Current)

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for employee benefits		
Gratuity	0.74	0.93
Leave Encashment	0.26	0.30
Total	1.00	1.23

18 Deferred tax liabilities (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Liabilities	27.37	27.40
Assets	-	-
	8.95	8.96
Total	18.42	18.44

19 Other Non-current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advances		
Advances from Customers	118.17	116.69
Others	-	
Mobilization Deposits	178.89	168.90
Lease Deposits	0.22	0.31
Total	297.28	285.90

20 Current Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Deposits	16.77	30.25
Term Loans and OD-From banks*	1,080.12	879.60
Other Loans*	2.38	435.84
	1,099.26	1,345.69
Unsecured		
Loans from related parties	96.97	-
	96.97	-
Total	1,196.23	1,345.69

Details of securities and other terms and conditions are as under:

*Secured by way of charge on rentals, mortgage / hypothecation of movable & immovable properties

21 Trade Payables (Current)

Particulars	As at March 31, 2019	As at March 31, 2018
Micro, Small and Medium Enterprises	-	-
Others	309.44	298.04
Total	309.44	298.04

22 Other Financial Liabilities (Current)

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of long tem debt	897.36	316.81
Interest accrued and due but not paid	1,076.08	778.10
Others	6.50	346.48
Unpaid dividends	0.66	0.56
Deferred Rent	1.11	1.12
Total	1,981.71	1,443.07

23 Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Revenue received in advance	-14.08	-35.74
Creditors for capital goods	0.21	-
Mobilisation Advance	0.00	-
Others	49.83	45.59
Unpaid dividend	-	0.10
Statutory Dues	19.73	44.73
Due to directors	0.20	0.20
Audit Fees	0.32	0.26
Expenses Payable	157.49	155.29
Land Advances	1.50	2.42
Advances from Customers	74.22	82.20
Total	289.42	295.05

24 Provisions (Current)

Particulars	As at March 31, 2019	As at March 31, 2018
Bonus	0.41	0.41
Gratuity	0.00	-0.17
LTA	0.01	0.01
Leave Encashment	0.00	-
Proposed Dividend	-	-
Interest accrued and due but not paid	-	274.35
Others	0.27	0.13
Provision for income tax	-	-25.14
Tax on Proposed Dividend	-	-
Total	0.68	249.59

25 (A) Revenue from Operations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Income from Projects	46.42	45.89
Income from Operations	-	27.85
Lease Rental Income	-	15.32
Total	46.42	89.06

25(B) Other Income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Income Tax Refund	1.31	1.62
Interest on Bank Deposit	0.03	-
Profit on sale of assets	1.17	-
Net gain/(loss) arising on financial liabilities	1.11	-
Miscellaneous Income	3.29	3.23
Agricultural income	0.35	-
Total	7.25	4.85

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
26(A) Cost of materials consumed	38.26	76.76

26(B) Changes in inventories of finished goods and work-in- progress

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Opening finished goods	10.60	15.42
Opening work-in-progress	89.20	81.98
	-	-
Closing finished goods	10.19	10.60
Closing work-in-progress	94.31	89.20
Total	-4.69	-2.39

27(B) Employee benefits expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	6.47	8.03
Contribution to funds	0.26	0.11
Recruitment & Training Expenses	-	-
Staff Welfare expenses	0.22	0.26
Retirement Benefits	-	0.16
Total	6.95	8.56

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation	16.58	23.44

27(A) Finance Costs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest	2.22	26.60
Other borrowing costs	-0.01	1.86
Total	2.21	28.46

28 Other Expense

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Advertisement & Business Promotion	0.05	0.35
Audit Fees	-	0.14
Bad Debts	1.30	-
Bank Charges	0.00	0.01
Communication Cost	0.16	0.17
Electricity Charges	1.18	1.13
Exchange Rate Fluctuation	-	-
General Expenses	0.67	1.32
Insurance Premium	0.28	0.41
Interest	-	0.44
Legal Charges	5.70	2.08
Office Maintenance	0.81	0.79
Postage and Courier Charges	0.02	0.02
Printing & Stationery	0.12	0.14
Professional Charges	1.70	1.06
Rent	0.03	0.07
Repairs & Maintenance	0.40	0.68
Secretarial Expenses	0.27	0.21
Traveling and Conveyance	0.80	0.80
Vehicle Maintenance	0.08	0.09
Donation	0.01	0.01
IT Services	0.01	0.03
Operating Expenses (Agriculture)	0.22	-
Rates & Taxes	0.19	0.34
Exchange Rate Fluctuation	1.16	0.02
Sitting Fee for Board Meeting	0.07	0.12
Sitting Fees for Committee Meetings	-	-
Statutory audit fee	0.19	0.11
Loss on sale of asset	4.24	-
CWIP Impairment	-	12.42
Total	19.65	22.96

NOTE 29 : CONTINGENT LIABILITIES

- Estimated amount of liability on capital contracts : Rs 1057.40 Crores (Previous year Rs 1057.40Crores)
- Other contingent liabilities : Rs 0.20 Crore (Previous year Rs 0.20 Crores)
- Corporate Guarantees given to Banks in respect of loans taken by other Companies : Rs 3,738.43 Crores (Previous year Rs 3,738.43 Crores)
- Corporate Guarantees given to Banks in respect of performance bank guarantees issued by them : Rs 20.80 Crores (Previous year Rs 80.19 Crores)

e. The company has imported capital goods at concessional rate of customs duty under the Export Promotion Credit Guarantee (EPCG) scheme against submission of bank guarantees. In terms of the scheme, the company is obliged to export goods/services of certain FOB value as specified in the said scheme. As at the year end, the company has the following unfulfilled export obligations under the scheme:

(Rs In Crores)				
As At		As At		Due Date of Obligation
31-Mar-19		31-Mar-18		
Duty Saved	Export Obligation	Duty Saved	Export Obligation	
0.12	0.94	0.12	0.94	3-Apr-17
0.14	1.13	0.14	1.13	3-Apr-17
1.73	13.83	1.73	13.83	20-May-18
0.31	2.47	0.31	2.47	20-May-18
0.32	0.32	0.32	0.32	25-Aug-17
0.80	0.80	0.80	0.80	25-Aug-17
0.07	0.07	0.07	0.07	30-Jun-18
0.04	0.04	0.04	0.04	9-Feb-18
0.06	0.06	0.06	0.06	9-Feb-18
0.10	0.10	0.10	0.10	20-Jul-19
0.14	0.14	0.14	0.14	30-Nov-19
0.09	0.09	0.09	0.09	16-Jan-20
0.09	0.09	0.09	0.09	25-Jan-20
0.04	0.04	0.04	0.04	27-Feb-20
7.71	7.71	7.71	7.71	4-Apr-17
0.61	0.61	0.61	0.61	12-Mar-19
1.32	3.97	1.32	3.97	27-Dec-20
0.20	0.60	0.20	0.60	1-Sep-21

- Claims not acknowledged as debts by the Company: Rs 250.83 Crores (Previous year RsRs 147.06 Crores)

g. Income Tax Demand

Tax on Income				Rs
Assessment Year	Tax Demand	Amount Paid under Protest 31-Mar-19	Dispute is Pending	
2009 - 10	3,600,000		ITAT-Chennai	
2008 - 09	5,276,990	5,276,990	High Court	
2009 - 10	3,896,457	3,896,457	High Court	
2010 - 11	19,919,645	11,252,732	High Court	
2011 - 12	17,692,108	17,689,798	High Court	

Income Tax Deducted at Source						Rs
Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending	
		31-Mar-18	2018-19	31-Mar-19		
1996 - 97	21,503	4,931	-	4,931	ITO - TDS - 1 (4)	
1997 - 98	2,368,619	2,317,682	-	2,317,682	ITO - TDS - 1 (4)	
1998 - 99	1,628,830	842,934	-	842,934	ITO - TDS - 1 (4)	
1999 - 00	1,857,640	581,282	-	581,282	ITO - TDS - 1 (4)	
2000 - 01	442,820	65,440	-	65,440	ITO - TDS - 1 (4)	

Subsidiary Companies

Tax on Income						Rs
Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending	
		31-Mar-18	2018-19	31-Mar-19		
2010 - 11	23,023,324	1,978,589	-	1,978,589	ITAT-chennai	
2011 - 12	6,953,530	10,000	-	10,000	ITAT-chennai	
2011 - 12	3,290,435	-	-	-	CIT (A)	
2012 - 13	19,045,610	2,200,000	-	2,200,000	CIT (A)	
2013 - 14	3,594,440	-	-	-	CIT (A)	
2014 - 15	4,671,410	-	-	-	CIT (A)	

NOTE 30:

a) The Holding Company has not provided for interest for the year ended 31st March, 2019 on certain loans that are assigned to ARC. The Management considers it appropriate not to provide interest on such loans

b) The holding company and Edelweiss ARC (EARC) agreed to restructure our debt repayment proposal. As a condition to the proposal, we have to allot Equity Shares on a Preferential allotment/Private placement basis for part debt convert to equity and balance to be realised by liquidating collateral assets offered over the period of time. On fulfillment of precedent conditions as per the above sanctions, definite agreement has to be executed. We have not provided interest on loans assigned to EARC during the Year.

NOTE 31: BORROWINGS FROM BANKS AND OTHERS**1) Marg Limited**

a) The Cash credit, WCTL, FITL and other facilities provided by the consortium comprising of Indian Bank, Allahabad Bank, Oriental Bank of Commerce and Indian Overseas Bank are transferred to Edelweiss Asset Reconstruction Company Limited (ARC) on various dates. The outstanding balance in respect of these loans as per EARC Sanction amounts to Rs 904.63 Crs as on 31st March, 2019 in respect of these loans are included in 'Borrowings' in Note 20. The company didn't provide for Interest on these loans during the year as explained in Note 30. We have submitted a OTS proposal of Rs 540 Crs to EARC and other loans assigned to EARC under 12 A which is awaiting for acceptance.

b) The South Indian Bank has assigned to EARC and who's outstanding claimed by EARC is Rs 14.51 Crores. The Company did not provide interest during the year as explained in Note 30. For recovery of the Outstanding they have approached multiple Legal forum. However, as we are negotiating for OTS settlement these claims challenged legally may become irrelevant thereupon.

c) State Bank of Mauritius Limited had assigned to the loan to Pegasus Assets Reconstruction Private Limited ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of Rs 20.81 Crores is included in Borrowings in Note 20. The Company did not provide interest during the year as explained in Note 30. Subsequently, the ARC has issued notice under SARFAESI Act.

d) The Term loan sanctioned by Punjab National Bank was assigned to Edelweiss Asset Reconstruction Private Limited (ARC). The outstanding amount as per EARC is Rs 44.61 Crores are included in Borrowings in Note 20. The company didn't provide for Interest on this loan during the year as explained in Note 30.

e) SICOM Limited has given One time sanction for Rs 39.48 Crores of which of Rs 10 Crores settled. Sicom had pursued legal steps for recovery of balance amount. Due to real estate market situation, we are finding difficult to liquidate. However, we are confident to settle them at the earliest.

f) IFCI Venture Capital Funds Ltd has recalled the term loan and issued possession notice under SARFAESI Act to the company in respect of outstanding dues, however we have not received confirmation of balance for Mar 2019. For recovery of the

Outstanding they have approached multiple Legal forum. However, as we are negotiating for OTS settlement these claims challenged legally may become irrelevant thereupon.

h) ICICI Bank has filed case with Debts Recovery Tribunal, Chennai in respect of outstanding dues of Rs 56.97 Crores as on 29.02.2016 which was awarded on 23.01.2018 with interest of @ 13.95% p.a with monthly rests till realisation. Based on the DRT award they approached NCLT which was admitted on 28.05.2019. Appellant-Promoter of the 'Corporate Debtor' submitted that the Appellant has settled the matter in terms of Section 12A of the 'I&B Code. NCLAT ordered on 30.09.2019 that application under Section 7 filed by the 'ICICI Bank' is disposed of as withdrawn.

I) The equipment loan of Rs 0.63 (including interest) was recalled by L & T Finance Ltd. During the year loan was settled and NOC obtained that no further dues payable.

j) SREI has approached Arbitration which is under persual. Their Claim amount is challenged by the company hence the outstanding as per books is only a notional until actual liability ascertained and awarded by the tribunal.

2) Marg Properties Limited

a) Bank of India and Punjab National Bank have transferred the entire outstanding amount along with interest to Edelweiss Asset Reconstruction Company ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of Rs 49.26 Crores, in respect of these loans is included in Borrowings in Note 20 and 22 and the Company continues to provide interest at the rates originally charged by the Bank.

b) Indian Overseas Bank issued notice under SARFAESI Act and Notice of Sale under Security Interest Enforcement Rules, 2002; the outstanding amount of Rs 15 Crores is included in Borrowings in Note 20 and 22. Currently, the case is pending with Debts Recovery Tribunal, Chennai. OTS proposal for Rs 9.8 Crs under persual with bank.

3. New Chennai Township Private Limited

a) Central Bank of India assigned entire loan to 'Phoenix ARC Private Limited' during the year. Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding balance of Rs 191.97 Crs/- as on 31st March, 2019, in respect of these loans are included in 'Borrowings' in Note 20 and 22 and the Company continues to provide interest at the rates originally charged by the Bank.

b) The recalled loans from Karnataka Bank and Indian Overseas bank were assigned to Edelweiss ARC Private Limited during last year. Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding balance of Rs 149.14 Crores is included in Borrowings in Note 20 and 22 and the Company continues to provide interest at the rates originally charged by the Banks.

c) Corporation Bank has issued SARFAESI notice in respect of the term loan and FITL. The outstanding amount of Rs 27.65 crores is included in 'Borrowings' in Note 20 and 22.

d) During the year 14-15, the restructured Infrastructure Term Loan and loan of Rs 157.56 Crores availed by the company from consortium of banks lead by Indian Bank quarterly repayment

commenced from Dec-14 was not paid and considered as default payment and same entire outstanding has been included in Borrowings in Note 20 and 22.

e) OTS proposal made to all lenders are under perusal

4) Riverside Infrastructure (India) Private Limited

State Bank of Patiala and Syndicate Bank have assigned the loan availed by the Company to Edelweiss Asset Reconstruction Company Limited ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of Rs 115.76 Crores as on 31st March, 2019 is included in Borrowings in Note 11 and the Company continues to provide interest at the rates originally charged by the Banks.

5) Sarang Infradevelopers Pvt Ltd

a) Corporation Bank has taken action under SARFAESI Act and issued notice of sale under Security Interest (Enforcement) Rules, 2002 in respect of the short term facility of Rs 1.42 Crores outstanding as on 31st March, 2019 and the case is pending with Debts Recovery Tribunal, Chennai.

6) Magnamopus Infrastructure Pvt Ltd

a) Corporation Bank has taken action under SARFAESI Act and issued notice of sale under Security Interest (Enforcement) Rules, 2002 in respect of the short term facility of Rs 80,21,403/- outstanding as on 31st March, 2019 and the case is pending with Debts Recovery Tribunal, Chennai.

7) Marg Logistics Pvt Ltd

The equipment loan of Rs 18.85 Crores (including interest) as on 31st March, 2019 was recalled by SREI Equipment Finance Ltd.

8) Arohi Infrastructure Pvt Ltd

a) OCD Amount of Rs 50 Crores was recalled by Tata Capital Financial Services Ltd. As per 12A proposal we have proposed Rs 35 Crores Settlement Over a period of one year time.

b) (i) Tata Capital limited, Financial Creditor, filed a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the company. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March, 2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional vide order dated 20/03/2018. The Corporate Resolution process commenced from 20th March, 2018. Mr S Rajendran has assumed the status of Resolution Professional (RP) on said date and issued a public notice on 23/03/2018.

(ii) Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP.

(iii) The Committee of Creditors (COC) has been Constituted u/s 21 of IBC 2016 and first meeting of the COC is scheduled and held on 24th April, 2018.

NOTE 32 : PREPARATION OF FINANCIAL STATEMENTS ON 'GOING CONCERN' BASIS:

1) Marg Limited

a) ICICI, Financial Creditor, file a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the company. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/541/(IB)/2018 dated 28th May, 2019. The NCLT has appointed Mr K.Vasudevan as Interim Resolution Professional (IBBI/IPA-001/1P-P00155/2017-18/10324) vide order dated 28/05/2019. The public notice given on 31.05.2019.

b) Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP.

c) The Committee of Creditors (COC) has been Constituted u/s 21 of IBC 2016 and first meeting of the COC is scheduled and held on 19th August, 2019. Appellant-Promoter of the 'Corporate Debtor' submitted that the Appellant has settled the matter in terms of Section 12A of the 'I&B Code'. Committee of Creditors by majority voting share of 95.96% has approved the 'Terms of Settlement' made under Section 12A of the 'I&B Code'. ICICI Bank Limited' (Financial Creditor) accepts that by majority voting share of 95.96%, the 'Committee of Creditors' has approved the 'Terms of Settlement' under Section 12A. Therefore, the 'ICICI Bank Limited' has moved the application before the Adjudicating Authority for withdrawal of application filed under Section 7 of the 'I&B Code'. NCLAT allowed the prayer made by 'ICICI Bank Limited' (Applicant of Section 7 of the I&B Code) to withdraw the petition filed under Section 7 of the I&B Code. In the result, the impugned order dated 28th May, 2019 for initiating the 'Corporate Insolvency Resolution Process' is set aside along with consequential steps taken. NCLAT ordered on 30.09.2019 that application under Section 7 filed by the 'ICICI Bank' is disposed of as withdrawn. The 'Corporate Debtor' is released from all rigour of law. The 'Resolution Professional will hand over the assets and documents to the 'Corporate Debtor' through Promoter. The 'Corporate Debtor' is directed to pay the stakeholders/creditors in terms of settlement reached under Section 12A within the period as approved by the 'Committee of Creditors failing which it will be open to the 'ICICI Bank' to file application for recall of this order and revival of 'Corporate Insolvency Resolution Process' against the 'Corporate Debtor'.

d) The Company has recorded a Net loss of Rs 17.58 Crores for the year ended 31st March 2019, Rs 12.85 Crores for the year ended 31st March 2018, Rs 26.89 Crores for the year ended 31st March, 2017, Rs 16.98 Crores for the year ended 31st March, 2016, Rs 172.45 Crores for the year ended 31st March, 2015, Rs 263.82 Crores for the year ended 31st March, 2014 and Rs 36.04 Crores for the year ended 31st March, 2013. The Company has defaulted in the payments due to Banks, Financial Institutions and others towards principal and interest, statutory dues and payment to vendors. Further there were lower cash inflows from existing projects and some creditors have filed winding up petitions against the company. Management is confident that the Company will be able to generate profit and cash in future years and meet its financial obligation as they arise. The financial statements have been prepared on a going concern basis based on cumulative input of the following business potential and mitigating factors:

e) The EPC division of the Company- has local and international bids are being planned leveraging the experience gained through execution of Marine, Infrastructure and Industrial EPC.

f) Many of the EPC loans and corporate loans have been restructured and/or assigned to ARCs. The company intends to approach the ARCs for concessions in Interest and restructuring of loans. The management is confident that it will help the company to focus on projects in hand and generate cash flows.

g) The Company is also in the process of generating cash through equity disinvestment in operating SPVs and realisation of advances given to subsidiaries which intends to commence new residential and plotted development projects.

II) New Chennai Township Private Limited

The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/636/(IB)/CB/2017 dated 05th July,2019. The NCLT has appointed Mr. L K Sivaramakrishnan, Resolution Professional (IBBI Registration Number IBBI/IPA-001/IP-P00045/2017-18/0119) vide order dated 05/07/2019. The public notice was given. Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP.

The company has incurred net loss of Rs 7,89,83,210/- in the financial year ended 31st March 2019 , Rs 20,32,19,051/- in the financial year ended 31st March 2018 and Rs 55,77,12,425/ in 31st March 2017, which has resulted in negative net-worth as on 31st March 2019. The company has defaulted in payments of dues to Banks/Financial Institutions towards principal and interest, statutory dues and payment to vendors.

a) A German based Kitchenware manufacturer has signed lease deed and started setting up their premises in MARG Swarnabhoomi and Power Generation Company has registered lease deed and is in advanced stages of setting up their premises in MARG Swarnabhoomi.

b) The company is in discussion with IT firms exploring leasing option of the company building. Further, the Company is negotiating with Consortium Lenders for obtaining No Objection Certificate (NOC) for registration of flats sold and the same is in discussion with Consortium Lenders.

c) The Company has signed up leased agreement with the few clients during the year in its Multi Services SEZ for Skill based training Institute- "Naturals SPA" and Enterprise Touch.

d) The company has large land bank and is exploring possibilities of its optimised exploitation.

III) Riverside Infrastructure (India) Private Limited

The Mall project of the Company initiated the revival of the project. Riverside Mall property of the company had been taken into possession by the banks, as the company has defaulted into payments of dues to the bank/financial institutions towards principal and interest. Some of the loans have been assigned to Asset Reconstruction Companies and company is in discussion with the ARC's for Restructuring of the Loans. The management of the company is hopeful that it will get the approval in a short time which will make the project self-sustaining in terms of cash flows. Considering these factors, the management considers it

appropriate to prepare the financial statement of the company on 'Going Concern' basis.

V) Marg Properties Limited

The Company has recorded a Net Loss of Rs 1.37 Crores during 31st March, 19 Rs 5.30 Crores during 31st March, 18 and Rs 14.20 Crores for the year ended 31st March, 2017 and the company has negative net-worth as on 31st March, 2018. The Company has defaulted in payment of dues to Banks towards principal and interest and other statutory dues. Some of the Banks have assigned their debts to ARC companies. Further there were lower cash flows from ongoing projects due to persisting economic depression in real estate sector which resulted in slowdown of works at various projects. The Company has obtained No Objection Certificate from the lenders for Pushkara Project, Savithanjali Project and Kalpavriksha Project, based on which we have registered some of the flats.

Management is confident that the projects have good surplus and company will be able to generate the profits from its project operations and cash in future years and meet its financial obligation as they arise. Hence, the financial statements have been prepared on a going concern basis.

V) Marg Swarnabhoomi Port Private Limited

Due to inordinate delay and uncertainty in implementation of the dry port project, the company has called off the project. The net worth of the Company is fully eroded. The management is of the opinion that the company will be able to realise its assets and discharge its liabilities in the normal course of business and hence the financial statements are prepared on going concern basis.

VI) Marg Aviations Private Limited

The Airport project of the company was terminated. The management is of the opinion that the company will be able to realise its assets and discharge its liabilities in the normal course of business and hence the financial statements are prepared on going concern basis.

V) Marg Trading Pte Ltd, the foreign subsidiary of Marg Limited has been deregistered by the Accounting and Corporate Regulatory Authority (ACRA) on account of non-compliance of filing annual returns with ACRA. However, we are working on to regularise it. The Consolidated Ind AS financial statements include Property, Plant & Equipment of Rs. Nil, other current assets of Rs. 49.95 Crores, Non-Current Liabilities of Rs. Nil, Current Liabilities of Rs. 50.43 Crores, Turnover of Rs. Nil, Net Loss of Rs. 0.04 Crores for the year ended 31st March, 2019 in respect of this company

NOTE 33 : PROPERTY PROVIDED AS SECURITY FOR LOANS

1) Kanchanjunga Infradevelopers Pvt Ltd

a) The company's land of 14.142 acres having a carrying cost of Rs 3.49 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken from Lenders by the Fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, and the

management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

2) Marg Business Park Pvt Ltd

a) The company's land of 12.76 acres having a carrying cost of Rs 2.88 Crores (including development cost/project work in progress) as on 31st March, 2019 was provided as security for the loan taken by the Ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

3) OMR Developers Pvt Ltd

a) The company's land of 1.86 acres having a carrying cost of Rs 7.56 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken from Lenders by the ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is exposed to the risks of attachment / sale by the lenders. The Company has received notice under SARFAESI Act.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

Continued....

4) Sarang Infradevelopers Pvt Ltd

a) The company's land of 43.03 acres having a carrying cost of Rs 39.34 Crores (including development cost/project work in progress) as on 31st March, 2019 was provided as security for the loan taken by the company and Ultimate Holding company. The company and Ultimate Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Lender initiated action under SARFAESI Act and the matter is before the Debts Recovery Tribunal, Chennai.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending the final outcome of the case, the management considers it appropriate to prepare the financial statement on going concern basis.

5) Arohi Infrastructure Pvt Ltd

a) Tata Capital limited, Financial Creditor, file a petition u/s 7 of Insolvency and Bankruptcy Code, 2016 against the company. The NCLT has allowed the petition filed by financial creditor and ordered to commence corporate insolvency resolution process against the company under I&B Code 2016 in NCLT Order No. CP/672/(IB)/2017 dated 20th March, 2018. The NCLT has appointed Mr S. Rajendran as Interim Resolution Professional vide order dated 20/03/2018. The Corporate Resolution process commenced from 20th March, 2018. Mr S Rajendran has assumed

the status of Resolution Professional (RP) on said date and issued a public notice was given on 23/03/2018. Pursuant to Section 17 of the IBC, 2016 the powers of Board of directors has been suspended and vested with IRP. The Committee of Creditors (COC) has been Constituted u/s 21 of IBC 2016 and first meeting of the COC is scheduled and held on 24th April, 2018. NCLT Chennai bench in its order dated 05.12.2018 ordering liquidation of Arohi Infrastructure Private Limited.

b) The company's land of 0.91 acres having a carrying cost of Rs 2.47 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken from by the Holding Company/fellow subsidiary company. The holding company and fellow subsidiary company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act and Notice of sale under Security Interest Enforcement Rules, 2002.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

6) Magnumopus Infrastructure Pvt Ltd

a) The company's land of 28.17 acres having a carrying cost of Rs 14.96 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Company and Ultimate Holding Company. The Company and Holding Company have defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. In respect of loan availed by the company, the case is pending with Debts Recovery Tribunal (DRT), Chennai. The Company has received possession notice under SARFAESI Act from the lending Bank of the Ultimate Holding Company.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders, would adversely affect the business of the company. Pending the final outcome of the case, the management considers it appropriate to prepare the financial statement on going concern basis.

7) Amir Constructions Pvt Ltd

a) The company's land of 9.39 acres having a carrying cost of Rs 5.85 Crores (including development cost) as on 31st March, 2019 was provided as security for loan taken by the Holding Company/Fellow Subsidiary. The said companies have defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act and notice of sale under Security Interest Enforcement Rules, 2002 during the year.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

8) Anuttam Constructions Pvt Ltd

a) The company's land of 31 acres having a carrying cost of Rs 11.84 Crores (including development cost) as on 31st March, 2019 was

provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received possession notice under SARFAESI Act.

Continued....

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

9) Bharani Infrastructure Pvt Ltd

a) The company's land of 9.75 acres having a carrying cost of Rs 3.02 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

10) Darpan Educational Institutions

a) The company's land of 7.00 acres having a carrying cost of Rs 3.87 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company and Fellow Subsidiary Company. The borrowing companies has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. Out of the 7.00 acres provided as security, notice under SARFAESI Act has been issued for 4.00 acres.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

11) Hilary Constructions Pvt Ltd

a) The company's land of 9.68 acres having a carrying cost of Rs 5.10 Crores (including development cost) as on 31st March, 2019, was provided as security for the loan taken by the Fellow subsidiary company. The Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

12) Kirtidhara Infrastructure Pvt Ltd.

a) The company's land of 15.63 acres having a carrying cost of Rs 7.61 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

13) Mukta Infrastructure Pvt Ltd

a) The company's land of 14.96 acres having a carrying cost of Rs 10.01 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received notices under SARFAESI Act, including possession notice for 6.95 acres during the year.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

14) Navita Estates Pvt Ltd

a) The company's land of 32.462 acres having a carrying cost of Rs 9.01 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan by the ultimate Holding company and Fellow subsidiary Company. The said companies have defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

15) Navrang Infrastructure Pvt Ltd

a) The company's land of 3.93 acres having a carrying cost of Rs 1.74 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

16) Akhil Infrastructure Pvt Ltd

a) The company's land of 37.59 acres having a carrying cost of Rs 11.12 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

17) Ambar Nivas Pvt Ltd

a) The company's land of 13.10 acres having a carrying cost of Rs 5.40 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

18) Aprati Constructions Pvt Ltd

a) The company's land of 0.34 acres having a carrying cost of Rs 3.87 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. Out of the 0.91 acres provided as security, notice under SARFAESI Act has been issued for 0.083 acres.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

19) Aroopa Infradevelopers Pvt Ltd

a) The company's land of 0.955 acres having a carrying cost of Rs 4,22,34,139/- (including development cost) a was provided as security for the loan taken from Lenders by the Subsidiary and associate company. The associate company has defaulted in repayment of such loans; Corporation bank as issued notice under sarfaesi Act. consequently the land property of the company to the extent of 0.275 Acres with Land cost of Rs 2,34,22,020 and Development cost of Rs 1,53,90,025 sold by the corporation bank in auction sale. Remaining portion of land to the extent of 0.680 remains in the possession of the company.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

20) Rainbow Habitat Pvt Ltd

a) The company's land of 31.89 acres having a carrying cost of Rs 9.40 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

21) Shubham Vihar Pvt Ltd.

a) The company's land of 10.34 acres having a carrying cost of Rs 11.65 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received possession notice under SARFAESI Act during the year.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

22) Atul Infrastructure Pvt Ltd

a) The company's land of 14.78 acres having a carrying cost of Rs 5.35 Crores (including development cost) as on 31st March, 2019, was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. Notice under SARFAESI Act has been issued for 14.78 acres and out of which possession notice issued for 12.34 acres.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

23) Darshan Homes Private Ltd

a) The company's land of 5.04 acres having a carrying cost of Rs 2.46 Crores (including development cost) as on 31st March, 2019, was provided as security for the loan taken by the Ultimate Holding Company. The said Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received sale-cum auction notice from the lender.

b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

24) Avatar Constructions Pvt Ltd

a) The company's land of 31.24 acres having a carrying cost of Rs 12.27 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received notices under SARFAESI Act, including possession notice for 5.70 acres.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

25) Dasha Infradevelopers Pvt Ltd

a) The company's land of 14.06 acres having a carrying cost of Rs 9.99 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received SARFAESI notice.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

26) Swatantra Infrastructure Pvt Ltd

a) The company's land of 30.520 acres having a carrying cost of Rs 15.13 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. Out of the 30.52 acres provided as security, notice under SARFAESI Act has been issued for 29.52 acres.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

27) Wisdom Constuctions Pvt Ltd

a) The company's land of 45.01 acres having a carrying cost of Rs 6.09 Crores (including development cost) as on 31st March, 2019 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.

b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending the final outcome of the case, the management considers it appropriate to prepare the financial statement on going concern basis.

NOTE 34 : INVESTMENTS AND ADVANCE / RECEIVABLES DUE FROM SUBSIDIARY COMPANIES

a) The company has invested in equity amounting to Rs 169.18

Crores (PY Rs 169.18 Crores) in New Chennai Township Private Limited, a wholly owned subsidiary as on 31st March, 2019. The Company has advanced an amount of Rs 352.58 Crores (PY Rs 352.58 Crores) as subordinated loan to the subsidiary and Rs 67.40 Crores (Rs 67.40 Crores) is carried forward as receivables as on 31st March, 2019. The said subsidiary has incurred losses which have resulted in negative net-worth as on 31st March, 2019. The subsidiary company has obtained valuation report for the assets of the company, from an approved valuer, which supports the carrying value of such investment and loan outstanding as on 31st March, 2019. The subsidiary company is exploring possibilities to revive the projects and generate cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2018.

b) The company has invested in equity amounting to Rs 136.72 Crores (PY Rs 136.72 Crores) in Riverside infrastructure (India) Private Limited, subsidiary of the company as on 31st March, 2018. The Company has advanced an amount of Rs 41.89 Crores (PY Rs 44.75 Crores) as subordinated loan to the subsidiary and Rs 59.74 Crores (PY Rs 59.74 Crores) is carried forward as receivables as on 31st March, 2019. The Mall project of the subsidiary continues to be suspended and the company defaulted in payments of dues to Banks/Financial Institutions towards principal and interest. The subsidiary company continues to discuss with strategic partners and is confident of generating cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2019.

c) The company has invested in equity amounting to Rs 54.05 Crores (PY Rs 54.05 Crores) in Marg Properties Limited, wholly owned subsidiary of the company as on 31st March, 2019. The Company has advanced an amount of Rs 49.26 Crores (PY Rs 42.87 Crores) as loan to the subsidiary. The subsidiary Company has negative net-worth as on 31st March, 2019. The loans of the company have been assigned to ARCs and the Management is confident that the Company will be able to generate cash from ongoing projects in future years and meet its financial obligation as they arise. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st Mar, 2019.

d) Marg Limited, Marg Properties Limited and Marg Logistics Private Limited have invested in equity amounting to Rs 0.36 Crores (PY Rs 0.36 Crores) and an amount of Rs 196.41 Crores (PY Rs 181.11 Crores) is advanced as loan to its subsidiaries/fellow subsidiaries and Rs 4.62 Crores (PY Rs 4.38 Crores) is carried forward as receivables as on 31st March 2019, which have provided land owned by them as security for the loans availed by other companies. As the borrowing companies defaulted in repayment of such loans, the land owned by these subsidiaries may be attached/sold which may adversely affect the recoverability of the investment/advance. However as on date no such sale has been made by the banks and accordingly, the financial statements of such subsidiaries have been prepared on 'Going concern' basis and management is of the opinion that no

provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from these subsidiaries as at 31st March, 2019.

NOTE 35

a) The Holding company's land of 0.864 acres having a carrying cost of Rs 78,26,027/- as on 31st March, 2019 was provided as security for loans taken by the company. The company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to attachment / sale by the lenders. The Company has received possession notice under SARFAESI Act/Notice of Sale under Security Interest Enforcement Rules, 2002 in respect of the said land.

NOTE 36:

The Work in progress inventory of company as on 31st March, 2019 includes Rs 9.71 Crores in respect of EPC work done by the company to one of its subsidiary companies which is unbilled as on 31st March, 2019 and Advances recoverable include management fee of Rs 12.22 Crores charged on the said subsidiary company which is not acknowledged by the subsidiary. The management is confident that these amounts are recoverable in the future and hence considers it appropriate to carry forward the amount of Rs 9.71 Crores as work in progress and Rs 12.22 Crores as receivables as on 31st March, 2019.

NOTE 37:

The company had pledged shares held in Karaikal Port Private Limited (KPPL) for the loan availed by KPPL. The lending Bank invoked the pledge of 202392000 Equity shares in earlier years, having total carrying cost of Rs 202.39 crores as on 31st March, 2019. Edelweiss ARC has restructured KPPL loan whereby shares held by Marg Limited in KPPL will be reinstated thereupon will be pledged back to EARC. As per the EARC, they have to be allotted shares for their partial debt outstanding wherein post conversion, KPPL will not be a subsidiary of Marg Limited. KPPL is not consolidated in financial statement for the FY 2018-19. Hence the comparatives of previous year figures may not be possible.

NOTE 38:

The company could not obtain Balance Confirmation or statement of account from the lenders of certain equipment loans. Hence the reconciliation could not be carried out for the year ended 31st March 2019. The company has provided for interest at contractual rates.

NOTE 39:

The Group company could not obtain Balance Confirmation or statement of account of Certain banks current/other accounts maintained with various banks since those bank accounts were attached by the Income tax investigation wing. The company has initiated necessary actions to uplift the attachment.

NOTE 40: INTEREST ON BORROWINGS

The management is taking efforts for resuming the Mall project of Riverside Infrastructure (India) Private Limited, a subsidiary company and is in discussion with strategic partners for this purpose. The management is of the opinion that interest provision is

not required for the current year as we are in negotiation with LIC housing finance ltd for waiver/ interest reduction and Syndicate bank and State bank of Patiala is already assigned to Edelweiss Asset reconstruction company. Further, considering the latest valuation of the property of the company, the management considers it appropriate to capitalise the interest of Nil (PY Nil) and overheads of Rs 0.26 Crores (PY Rs 0.56 Crores) during the year ended 31st March, 2019.

NOTE 41:

a) The company executed a construction contract at Agra for DG MAP, a project of the Government of India which is terminated during financial year 14-15. The company has receivables of Rs 0.46 crores and work in progress of Rs 13.99 Crores as on 31st March, 2019 relating to this project still continuing. Inventory of materials amounting to Rs 2.01 Crores and plant and machinery amounting to Rs 1.51 Crores as on 31st March, 2019 are withheld at site by the client. The management is confident that it will be able to recover the entire dues out of the arbitration process initiated by the company and that the above amount is considered good and recoverable and hence no provision is made as on 31st March 2019.

b) The company executed a construction contract at Dwaraka for M/s HSCC (India) Limited, a project of the Government of India, in respect of which the company has receivables of Rs 0.60 Crores and work in progress of Rs 0.67 Crores as on 31st March, 2019. The company has filed arbitration claim and based on the same a sum of Rs 0.40 Crores is written off in books, being the amount not included in claim made. The management is of the opinion that the rest of the amount is considered good and recoverable and hence no provision is made as on 31st March 2019.

c) The company executed a construction contract for M/s LDA Shristi, a project of the Government of India, in respect of which the company has Net of receivables and work in progress of Rs 3.19 Crores, Inventories Rs 0.37 Crs and P&M 5.52 Crs as on 31st March, 2019.

NOTE 42 : SUBSIDIARY COMPANIES LICENSED UNDER SECTION 25 OF THE COMPANIES ACT, 1956

The following subsidiary companies converted and obtained license under Section 25 of the Companies Act, 1956, during the Year 13-14

- a) Anuttam Academic Institutions- with effect from 26th July, 2013
- b) Atul Institutions of Learning- with effect from 26th July, 2013
- c) Darpan Educational Institutions- with effect from 31st July, 2013
- d) Kirtidhara Academic Institutions- with effect from 30th July, 2013

The property of these subsidiary companies provided as security for loans taken by the Holding Company/ Fellow subsidiaries continues to be in force.

The property of these subsidiary companies provided as security for loans taken by the Holding Company/Fellow subsidiaries continues to be in force.

NOTE 43 : DEFERRED TAX LIABILITY

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	(Rs In Crores)	(Rs In Crores)
Outstanding Deferred Tax Liability (Asset) [Net] as at the beginning of the year (A)	11.77	11.77
Add: Provision for Current Year Liabilities (Assets)	-	-
Timing difference on account of Depreciation	6.65	6.67
Sub-total (B)	6.65	6.67
Outstanding Deferred Tax Liability (Asset) [Net] as at the end of the year (A+B)	18.42	18.44

NOTE 44 : EMPLOYEE BENEFITS
A. GRATUITY

- i) The Company does not maintain any fund to pay for Gratuity
ii) Amount recognized in the Profit and Loss A/c is as under:

Particulars	Year Ended	Year Ended
	31-Mar-19	31-Mar-18
	(Rs In Crores)	(Rs In Crores)
Current Service Cost	0.16	0.16
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) Loss Recognised in the Year	0.16	0.16
Transitional Liability Recognised in the Year	-	-
Expenses Recognised in the Statement of Profit and Loss Account	0.16	0.16

- iii) Movement in the liability recognized in the Balance Sheet during the year.

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	(Rs In Crores)	(Rs In Crores)
Opening Net Liability	2.03	2.03
Adjustments	(1.58)	(1.58)
Expense as above	0.53	0.53
Contribution Paid	(0.23)	(0.23)
Closing Net Liability	0.76	0.76

- iv) Net Assets /Liability in Balance Sheet as at the year end

Particulars	As At	As At
	31-Mar-19	31-Mar-18
	(Rs In Crores)	(Rs In Crores)
Present Value of the Obligation	2.34	2.34
Fair Value of Plan Assets	-	-
Adjustments	(1.58)	(1.58)
Difference	0.76	0.76
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non-vested Benefits	-	-
Liability Recognised in the Balance Sheet	0.76	0.76

- v) For determination of gratuity liability of the Company the following actuarial assumption were used:

Particulars	Year Ended	Year Ended
	31-Mar-19	31-Mar-18
PRINCIPAL ACTUARIAL ASSUMPTIONS		
Discount Rate	7.53%	7.53%
Salary Escalation Rate	6.50%	6.50%
Attrition Rate	7.00%	7.00%

B. LEAVE ENCASHMENT

- i) The Company does not maintain any fund to pay for leave encashment
 ii) Amount recognized in the Profit and Loss A/c is as under:

Particulars	Year Ended	Year Ended
	31-Mar-19 (Rs In Crores)	31-Mar-18 (Rs In Crores)
Current Service Cost	-	-
Interest Cost	-	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) Loss Recognised in the Year	-	-
Transitional Liability Recognised in the Year	-	-
Past Service Cost - Non-vested Benefits	-	-
Past Service Cost - Vested Benefits	-	-
Expenses Recognized in the Statement of Profit and Loss Account	-	-

- iii) Movement in the liability recognized in Balance Sheet is as under:

Particulars	As At	As At
	31-Mar-19 (Rs In Crores)	31-Mar-18 (Rs In Crores)
Opening Net Liability	0.26	0.26
Expense as above	-	-
Contribution Paid	-	-
Closing Net Liability	0.26	0.26

- iv) Net Assets/Liability in Balance Sheet as at the year end:

Particulars	As At	As At
	31-Mar-19 (Rs In Crores)	31-Mar-18 (Rs In Crores)
Present Value of the Obligation	0.26	0.26
Fair Value of Plan Assets	-	-
Difference	0.26	0.26
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non-vested Benefits	-	-
Liability Recognised in the Balance Sheet	0.26	0.26

- v) For determination of leave encashment liability of the Company the following actuarial assumptions were used:

Particulars	Year Ended	Year Ended
	31-Mar-19	31-Mar-18
PRINCIPAL ACTUARIAL ASSUMPTIONS		
[Expressed as weighted averages]		
Discount Rate	7.53%	7.53%
Salary escalation rate	5.00%	5.00%
Attrition rate	4.50%	4.50%

NOTE 45 : NON-CASH TRANSACTIONS

Bank Guarantees invoked during the year amounting to Rs 56.10 Crores have been included in liability to banks as on 31st March 2019 and treated as Non cash transactions.

NOTE 46 : OPERATING LEASES
• Operating Leases
a) Cancelable Lease:

Total rental charges under cancelable operating lease was Rs 2.30 Crores year ended 31-Mar-19 (Previous Rs 2.30 Crores).

NOTE 47 : AUDITORS' REMUNERATION

Following are the details of Auditors' remuneration:

Particulars	Year Ended	Year Ended
	31-Mar-19 (Rs In Crores)	31-Mar-18 (Rs In Crores)
Statutory & Tax Audit Fees	14.30	14.30
Certification	-	-
Reimbursement of Expenses	-	-
Total	14.30	14.30

NOTE 48 : FOREIGN CURRENCY TRANSACTIONS

Particulars	Year Ended	Year Ended
	31-Mar-19 (Rs In Crores)	31-Mar-18 (Rs In Crores)
a) Value of Imports calculated on CIF Basis :		
i) Components, embedded goods and spare-parts	-	-
ii) Material	-	-
ii) Capital goods	-	-
b) Expenditure in foreign currencies:	-	-
i) Traveling expenses	-	-
ii) Professional/Consultancy Fees & Others	-	2.08
iii) Hire Charges	-	-
iv) Others	-	-

NOTE 49 : EARNINGS PER SHARE (EPS)

Particulars	31-Mar-19	31-Mar-18
a. Profit After Tax (Rs In Crores)		
For Basic EPS	(7.71)	(15.66)
For Diluted EPS	(7.71)	(15.66)
b. Weighted average number of equity shares (Nos in Lacs)		
For Basic EPS	508.18	381.19
Adjustment for Diluted EPS		
Add: Weighted average number of potential shares on account	-	-
Add: Weighted average number of potential shares on account	-	-
	-	-
For Diluted EPS	508.18	381.19
c. Earning Per Share (Rs)		
Basic	(7.71)	(15.66)
Diluted	(7.71)	(15.66)
d. Nominal Value Per Share (Rs)	10.00	10.00

NOTE 50 : FOREIGN CURRENCY EXPOSURES

The Company does not use any derivative instruments to hedge its foreign currency exposures.

The details of foreign currency balances which are not hedged as at the balance sheet date are as under:

Particulars	As At		As At	
	31-Mar-19		31-Mar-18	
	USD in Crores	INR in Crores	USD in Crores	INR in Crores
Creditors for Services	(0.62)	(42.98)	(0.62)	(40.34)
Advance to Creditors for Spares import	0.04	2.77	0.04	2.83
Creditors for Import of Capital Goods	-	-	-	-
Loan given to Subsidiary	0.30	20.80	0.31	19.73
Dividend Receivable	0.01	0.69	0.01	0.56
Total	(0.27)	(18.72)	(0.26)	(17.22)

Conversion rate applied:

1 USD= Rs 69.3220 (Previous year Rs 64.9180)

NOTE 51 :

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006

NOTE 52 :

The details of Capital Reserve and Goodwill on consolidation are as under:

Particulars	As At	As At
	31-Mar-19 (Rs In Crores)	31-Mar-18 (Rs In Crores)
Goodwill	16.54	16.54
Capital Reserve	(0.00)	(0.00)
Goodwill (Net of capital reserve) on consolidation	16.54	16.54

NOTE 53 : PRESENTATION OF PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year's figures.

As per our Report of even date attached
For A R KRISHNAN & ASSOCIATES
 Regn No: 009805S
 Chartered Accountants

A.SENTHIL KUMAR
 Partner
 Membership No: 214611

Place : Chennai
 Date : 30-October-19

For and on behalf of Board of Directors

G R K REDDY
 Chairman & Managing Director

Sreedhar Challa
 Director

R B SRINIVASAN
 Chief Financial Officer

Nawal Kishore
 Company Secretary



MARG Limited

Registered Office: Sri Sai Subhodaya Apartments, No.57/2B, East Coast Road, Thiruvanmiyur, Chennai - 600041
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